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**DIALECTICAL POLITICAL SYSTEM:
SELF-DETERMINATION AS THE ETHICAL BASIS
OF A SOCIAL FORMATION**

**Dedicated to George Heiman
A Great Humanist and Scholar**

by

John Arnason Morgan

**A Thesis submitted in conformity with the requirements
for the Degree of Doctor of Philosophy in the
University of Toronto**

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1988**

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UNIVERSITY OF TORONTO
SCHOOL OF GRADUATE STUDIES

PROGRAM OF THE FINAL ORAL EXAMINATION
FOR THE DEGREE OF DOCTOR OF PHILOSOPHY

OF

John Arnason Morgan

10:00 a.m., June 1, 1988

Room 309, 63 St. George Street

Dialectical Political System: Self-determination
as the Ethical Basis of a Social Formation

Committee:

Professor D. Ironside, Chairman
Professor M. Brownstone
Professor A. Brudner, Internal Appraiser
Professor R. Day, Supervisor
Professor G. Horowitz
Professor A. Kontos
Professor R. Lee
Professor R. Selucky, External Examiner

Thesis Abstract

"Dialectical Political System: Self-Determination as the Ethical Basis of a Social Formation", by John Morgan, is a theoretical analysis of Yugoslav socialist self-management. The thesis focuses on the problem of how to establish the free and mutually affirmative self-determination of individuals and communities, as moments of a concrete ethical totality.

The concept of self-determination is developed as a concrete unity of universal, particular and individual interests. Although the form of the Yugoslav system of socialist self-government strongly resembles Corporate mediation into a concrete totality, the ethical content of this form is based upon a mistaken notion of self-determination. Following Marx's Commune state, the Yugoslavs conceived man as a universal self-manager in an immediate, direct democratic, community of face-to-face relations. The self-management system is abstract because interests, in principle, may have only particular expression. This particularity serves to occlude the estrangement of the "subjective factor", or global self-consciousness, into the political monopoly of the League of Communists. The true subjective factor is the self-consciousness of working people, developed through their participation in communities which formulate their interests with respect to the universal community.

Yugoslav socialism recognizes that affirmative production relations are the substantive basis of a concrete social system, but the basis of the inversion into the concrete has been misunderstood as the self-conscious comprehension of commodity relations. This thesis argues that man can only be self-determined in a concrete universal which determines human freedom in the actuality of self-affirmative labour. This is the content of a dialectical political system, in which concrete freedom is the self-mediating substance of social relations. Such a system may develop out of the affirmation implicit in professional labour, but only if universal ethicality becomes the substance of the discourses of the new producer, through an experience of historical epochē. Though the ideal of professional work represents the mediation of freedom and necessity into self-affirmative labour, development toward true universality depends upon an internalization of absolute negativity. On this substantive basis, Hegelian Corporate mediation may turn universal ethicality in upon the objective practices of the new producers' working communities to transcend the instrumental reason of their work by the Reason of freedom for itself.

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My studies have focused both on political theory and comparative politics. My teaching experience is mainly in the classics of political theory. Hegel, and thought based on his philosophy, has been my main interest. This has provided the theoretical basis for comparative political analysis. Though I am broadly interested in European politics, particularly Poland, Hungary, the U.K., Germany, France and Italy, my thesis is a critique of Yugoslav socialist self-management.

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Doctoral Thesis: Department of Political Science
University of Toronto

"Dialectical Political System: Self-determination as the Ethical Basis of a Social Formation" is a critical analysis of Yugoslav socialist self-management. From the perspective of Hegel's concrete ethical universal, the thesis demonstrates the limitations of a self-management system and advocates a concrete system of corporate mediation motivated by universal humanist ethicality.

Master's Thesis: Department of Political Science
University of Waterloo (1980)

"Workers' Councils and the Transcendence of Historical Alienation" traced the development of workers' management and self-governing society from Marx's early writings, to the syndicalist movement, to Luxemburg's analysis of the Russian revolution, to Gramsci's Italian councils, to the American industrial unionism of the 1930's, to the May Events in France, and finally to the Yugoslav system and its relevance for the current situation in Poland.

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Comparative Political Thought:
Soviet and East European Marxism:
Topics in Latin American Politics:

Master's Courses:

Theories and Methods of Political Science I: A
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I have travelled often and extensively throughout Europe. I was married at the main Solidarity church in Warsaw in 1984. A son was born in 1985. Since that time I have been principally responsible for raising him, while trying to complete my thesis.

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Preface

1. The Contribution to the Literature

Dialectical development is immanent in the subject. It is not merely the logic by which the objective world is thematized into a self-critical totality. The result of my work was more than a book which develops a concrete critique of socialist self-management. It was most particularly my own immanent negation. The external development of an objective contribution to culture was founded upon this internal development. The general principle of any truly dialectical system, be it a work of culture or a social totality, is that the main objectification is the human subject engaged in that system. This is the ethical criterion for human self-determination.

The dialectical motion that resulted in this book was an immanent negation of the materials brought into opposition. Internally, it involved my emergence from an identification with this material through a process of thematization that developed a concrete notion of self-determination. The study began with an abstract proposition which I hoped to concretize with both a theoretical and a practical content. If self-management means a social formation based on the principle of human self-determination, what is self-determination and how can it be actualized? The materials brought into opposition were Hegel's concrete universal notion of self-determination, Yugoslav critical Marxism, and the actual practices of the Yugoslav system. These

were mutually negated through a thematization in which Hegel's philosophy became the basis for a critical reading of Marx. In the introreflection of these materials, a critique and a deeper understanding of each developed. The result should bring these elements together, without denying the particular expression of each, and yet bind them into a single notion of human self-determination. Thus the scientific result of this investigation should itself be an actualization of concrete universal ethicality.

Dialectical development depends most of all upon the self-conscious recognition of limitation. My main limitation is in experience. Most of my time was spent on the formal development of the main ideas and their relationship to Yugoslavia. Though a great deal of time was spent learning Serbo-Croatian and reading Yugoslav political literature, I was not able to operationalize the research beyond the formulation of a theoretical perspective from which to begin an empirical analysis. This beginning, however, achieved a higher scientific result than most other writers because their research has not been grounded in a critical analysis of their assumptions.

All of the economic, and most of the political, analyses by Western experts in this field have unreflectively grounded themselves upon liberal or neoconservative ideological prejudices. With their implicit, and very often explicit, belief that the unhindered motion of capital and the absoluteness of individual choice should be the ultimate criteria

by which to judge the realization of socialist self-management, their results are not science, but ideology in the form of a factual presentations. The underlying "ethical" assumption of such economic writers as Sacks, Estrin, and Prout is that of the absolute rationality of the capitalist market. Similarly, the underlying assumption of political writers, such as April Carter, is a belief in the truly democratic character of Western political systems. As is typical of the literature on the Soviet Union and Eastern Europe, intense criticism of real socialism is matched by an apologetic silence about the injustices of liberal capitalism. Rather than advancing scientific knowledge toward bettering the human condition, these writers merely conduct the cold war on the academic front by giving ideological hostility a factual and apparently scientific appearance.

But theoretical shallowness and a lack of self-consciousness has also undermined the scientific value of research conducted by those who genuinely believe in the ideals of socialist self-government. The worst are those analysts with a positivist orientation. They have operationalized disalienation with statistical measurements on opinions and participation and come up with conclusions such as, since Yugoslav workers have a disalienation coefficient of .76 and Canadian workers have one of .71, therefore Yugoslav workers are less alienated than Canadian. Yugoslav critics have demonstrated just how simple-minded the apparent scientific certainty of such positivism is. The socialist self-management system typically responds to failure by

increasing the time spent at meetings, the number of meetings, the number of associations which have meetings, and the amount of political campaigning to convince people that the system is really working. The positivists used the phenomena of the system's response to a general breakdown to demonstrate growing disalienation and the growing success of self-management. They measured without knowing what it was they were measuring because they did not have a critical self-conscious knowledge of the fundamental principles which underlie self-management.

I have analyzed, in the deepest and most philosophical manner possible, the precise meanings of self-determination and socialist self-management. I have shown the defects in the current Yugoslav notions of self-determination and self-management and counterposed a new meaning which affirms the universal humanist goals of Yugoslav, and other humanist, Marxists. From this conceptual basis, I have been able to develop an orientation from which one may truly begin to measure the realization of human self-determination.

Some conclusions may be briefly summarized. I have learned from Hegel that the substance to be measured is our historically mediated, universal self-conscious being. Thus the object to be measured is the development of an intellectual and self-critical sense of universal ethicality, not merely as morality, but as a self-conscious system of social objectifications. Stojanović wrote that ethical fact exists most directly in individual structures of moral character. He developed the concept of

personality structures as objectifications that correspond to various social totalities. From the experience of Županov one may derive the sociological method by which to analyze Yugoslav value structures and their relationship to the dominant totality. Rus and Arzenšek have shown that the truly autonomous producer must at least have the capacities of a professional. Thus the development of the ethical substance, or "heart", of professional workers is that most critical to the growth of socialist self-management. Jovanov has shown that the best objective measure of alienation versus disalienation is strike action.

Županov has demonstrated that the current system promotes the development of pragmatic individualism, especially amongst those who have been successful. Professionals tend to dominate self-management through their position in the technostucture of enterprise and through their greater efficacy. In any strike situation, professionals tend to hold management positions and thus to form a class against and above the direct producers. From an objectivist or positivist perspective one could immediately conclude that a new ruling class is developing in Yugoslavia in which the technocracy dominates on the basis of an associated mode of commodity production. But professionals in Yugoslavia read newspapers, magazines and books. The ideas of Pašić, Županov, Rus, Arzenšek, Jovanov, Todorović and others are well known and seriously debated. Yugoslavs are perhaps more politicized than anyone else in the world.

Many professional workers are self-consciously aware that their privileges are a limitation on genuine self-government. But this awareness has not yet been brought to a theoretical clarity of what precisely self-determination means and what contradictions exist in the current conceptions and practices of self-determination. From a perspective that views human material as a self-conscious and self-creating substance, rather than as a passive mass, the development of such self-clarification is the only real empirical contribution that a scientist can make. Rather than measuring opinions that fluctuate from day to day and depend upon external factors, such as who controls the media, I hope to help to effect a real transformation in the development of our self-determined historical self-consciousness.

A universal self-critical consciousness very much dominates in Yugoslavia today. But in a peculiar way this acts as a kind of apologia. Constant negative expression has become a way of life as a means to cope with the status quo, but without ever really changing it. Though my work is highly critical, it appears apologetic when compared to much of the criticism in Yugoslavia today. But my thesis is truly critical, whereas this radical rejection is not, because I develop an internal critique of the given, based upon a development of socialist self-management's own ethical principles, and use this to posit and develop a real alternative. The adoption of a negative attitude does not constitute true self-criticism. The Yugoslavs must come to a knowledge of the true ethical grounding of self-determina-

tion to develop a real alternative to their existing system.

The crisis of self-management has been generally conceived as that of the estrangement of substantive from formal relations. Hegel's dialectical political system is precisely concerned with the question of the mediation of substantive and formal relations into a concrete human community.

Hegel wrote that for mediation to develop into concrete universality, there must be a direct relationship between the individual and the universal both in the system of social objectifications and in self-consciousness. The main thing not understood by the Yugoslavs is that mediation through particularity depends upon a direct relation between the individual and the universal. Though Marx saw the realization of concrete humanity in the terms such a direct relation, he had conceived true universality as without particularity. Marx had posited the end of class domination as the end of classes and, even, of the division of labour. But universality has its real existence precisely in the division of labour. Rather than being the ultimate source of all estrangement, the division of labour is the implicit substantive side of universality. Concrete freedom gains its reality when the division of labour is explicitly determined in particular associations which, like Hegel's Corporations, follow the principle of "from each according to ability, to each according to need".¹ Our fundamental human need is for meaningful life through the

¹ Hegel, Philosophy of Right, Paragraphs 207, 253 & 254.

ethical actualization of human capacity. The objectification of this human system is that of human powers in organic communities of knowledge and creative work.

The Yugoslav system of socialist self-government adopted the principle of the mediation of particularity into the concrete, though without explicitly recognizing the Hegelian roots of this practice and how this contradicts their own Marxist theory. In this combination of Marx with the idea that freedom has a concrete and living existence in particularity, self-determination became that of particular communities. The universality essential to both Hegel's and Marx's ideas of human liberation was forgotten. Yugoslav socialists must recover this universality to escape from the current impasse of a failing system of associational democracy overridden by planned-market relations and underwritten by the political monopoly of the League of Communists.

The main problem of the Yugoslav system is the submersion of the universal dimension of socio-political life. Although socialism should be the universal self-conscious comprehension of socio-political life toward the realization of a truly human society, Kardelj's system excludes universal expression on the ground that universality is necessarily abstract. This principle is quite explicit in the delegate system. Representation follows the principle of the progressive articulation of particularity into more comprehensive communities. Organic representation is necessarily rooted in particularity, but most conspicuously the

articulation of socio-political interests is stopped at the republican level. While organizations specifically concerned with global political life have representation at all the lower levels of self-government, they are excluded from participation precisely at the level which should be their main sphere of activity. But universal political life is submerged in another sense. These organizations actually do have the greatest influence here, but as an informal system of relations which exercises real power outside of the formal delegate system. Thus the organizations which are to advance the subjective powers of the self-governed producers act as a subversive force which systematically undermines the formal system of self-government.

A very deep contradiction runs through Yugoslav socialist self-government. On the one hand, Yugoslav socialists recognize that socialist self-government has a real existence in particular communities. This is a principle like Hegel's concrete universal in which the content of true human universality exists in particularity. On the other hand, following Marx, they see the existence of particularity, and hence the necessity for mediation, as the ultimate source of all estrangement and dehumanization. This contradiction existed from the beginning in the political-institutional model of Commune socialism. The political-institutional formula for direct democracy is a highly indirect system of successive delegate representation through successive delegate communities. Direct democracy means that a delegate is responsible to his immediate

community. This directness, however, is established through a system of indirect representation which maintains a concrete link with the basic electoral community. Thus direct democracy depends upon a system of mediation which is apparently more direct the greater are the number of intermediaries.

This direct democracy is a system for the maintenance of particular interests up to the global level. But as a system for the mere organic expression of particular interest, Yugoslav associational life remains severed from its sphere of highest concrete universality - political action. The Yugoslav system could open itself to free global expression by establishing a direct link between the individual and the universal life of the community through socio-political organizations which have direct representation at the global level. Without this direct link at the global level delegate representation cannot establish an integral system. Yugoslav political theorists believe that direct elections to the federal assembly are a remnant of abstract political life. But quite to the contrary, this direct relationship to the universal level is necessary to establish the supremacy of the global project over particular interests. This excluded dimension is necessary for self-government as a concrete global community.

2. Dialectical System as the Self-Formation of Human Content in Self-Conscious Ethical Action

Hegel and Marx share a concept of human liberation as the transcendence of abstraction. Abstraction is the estrangement of form and content, whereas in Reason, or in a concrete universal,

the content produces its form from itself.

Hegel broke with epistemology, and the estrangement of the subjective and objective which it presupposes, by rejecting the idea that knowledge begins from individual experience. The apprehension of truth is dependent upon a community of free discourse. This is why the development of knowledge and of free universal self-consciousness are inextricably bound to the historical development of free communities. Individualistic freedom, like individualistic knowledge, cannot establish itself in a real content. This content has a necessary existence in particular organic communities as moments of a concrete universal community. True universality is established in communities of free self-conscious recognition.

Dialectic is the necessary motion of self-determination. It is an immanent process in which motion is a consequence of the negative contained within. This is possible only for a being of free, or negative, substance - for a being of historical epochē. Historical epochē is a revolutionary transformation of consciousness, immanent in free self-conscious substance, which fundamentally transforms this substance, or as Hegel called it, our "heart". The embodiment of negativity in the bondsman established free creativity as our species-essence. This develops through a series of historic experiences until true universality is established in a human community of free self-conscious recognition.

A concrete universal is self-mediated, the self-formation of

content. "Heart" is the content, or substantive side, of ethicality. Ethical fact exists in character type which may be analyzed as a concrete determination of heart. Bildung is the historic process of the development of heart toward its concrete determination by Reason. This is not a mere accumulation of knowledge. Transformation in content culminates in sudden changes of form which both affirm and further develop this content. Our free universal Spirit revolutionizes society to make the principles of rational self-government a reality.

Spirit is an active substance which renders itself objective to know itself and, in doing so, transforms itself. The force of this subjective negativity is dialectic. The inner development of Spirit should finally actualize itself in a dialectical political system wherein objectifications are essentially human. The cycle of objectification should determine necessity as human affirmation. Capitalist society is an abstraction because the form of wealth is in contradiction with its true content in the self-development of our cultural capacities. Capital's true substance is objective human powers, but it recognizes these only abstractly, as wages paid out. Negativity, the dialectical power of man to objectify himself, is the unpaid labour from which the capitalist profits. The unpaid labour that produces surplus value results from the employee's abstract recognition as value when what the capitalist gets in return is something actual, the use of the subjective capacity of the worker. Capital robs the worker of the power to express his

freedom in objective determinations.

Hegel's concrete universal, Marx's critique of capital and Yugoslav socialist self-management all recognize that autonomous control over work is essential to the internal motivation of a self-conscious social system. The external motivation of monetary reward or of hierarchical administrative control necessarily produces an estranged and external totality. Only a system founded on the subjective, internal motivation of its participants in their social life can actualize true human self-determination. Such a social system would recognize that true progress and prosperity is the ethical actualization of creative capacity. Self-development within communities of recognition would become both the premise and the result of social production.

Though Marx saw that the content of concrete human community is human self-actualization, he did not develop the internal side of this objectification whereby the drive to the universal develops objective knowledge-based practices in organic working communities. These organic communities hold a property which may be activated by affirmative labour that develops the capacities of the producer as he works. Thus work is not necessarily a loss of being, but develops the wealth of these particular communities through the affirmation of human being. In communities of concrete recognition there may be an inversion whereby objectifications are also internalizations, hence affirmations of creative capacity.

Marx's deepest error was not to realize that inversion into the concrete is most essentially the negation of scientific and technical reason into lesser moments of universal ethical reason. The development of ethical reason, not the scientific-technical revolution, is the transformation most essential to the development of socialism. This omission has allowed his philosophy, and Marxist socialism, to be reduced into a technocratic ideology.

Concrete human community has a definite organic life in the self-affirmative act of directing and concentrating one's personal development. This necessarily occurs in community with others since affirmation is confirmed only in objective self-conscious recognition. The social particularity of concrete universality is primarily vocational communities of recognition. As moments of an ethical universal, these communities should govern their activities through self-critical technical discourses which find their ultimate meanings in universal humanist ethicality.

Professional work has an intrinsic aspect of self-determination in that it increases in productivity through the internal development of the capacities of the producer. But to be free necessary or self-affirmative labour, work must be determined by the internal necessity of objective ethical recognition. Affirmative communities of recognition should be self-managed through the collegial control of co-workers who can give specific and qualitative recognition. But these communities

can afford truly objective recognition only to the extent that they recognize the limitations of their particularity. Their practices may become the internal side of a concrete dialectical political system when determined as particular objectifications of universal human self-determination. This involves more than a critical interaction of discourses. Our universal substance, or ethical being, is transformed into the content of Reason as Freedom for itself through the historic experience of a political struggle for a society which explicitly recognizes the true human basis of wealth in concrete self-development.

A dialectical political system is self-governed through a universally self-conscious discourse that turns in upon itself to critically examine its own premises and objectifications. With the objective viewed as an objectification of the project, as a determination and limitation, the actually existing may be determined as the objective basis of a critique which should mutually transform both the project and its practical implementation. Most of all, this critical self-reflection effects a deeper transformation in the main objectification of the system, in the internal development of the participants themselves. This is the human basis of the next motion forward.

The Praxis school's critique of market socialism was internalized by the League of Communists to be objectified in the associational system of self-government of the 1970's and 1980's. This new objectification became the objective basis for the critique of Yugoslav Marxism. Unfortunately most criticism

has assumed difficulties to be external to the project for socialist self-government. Criticism has focused on the contradiction between real and formal relations, but the divergence between the real and the formal is usually blamed on the inadequacy of the real. Self-criticism has taken the form of a further elaboration upon the project, or of a reaffirmation of deep principles, not the questioning of deep principles.

The Commune notion of the transcendence of alienation, as the fusion of living and working communities through face-to-face, direct democratic relations into an immediate integral community, has contributed to a partial view of self-determination which leaves the social totality fragmented into small communities determined by more universal abstract external relations. With ultimate determination left at the level of the particular community, the universal determination of socialist ethicality has become a contest between well-organized and powerful particular interests.

In Yugoslav self-management, self-determination is the partial expression of interest by self-interested groups. True self-consciousness, or the concrete, was taken to mean the direct expression of interest. According to the Commune view of socialism, any intermediation is estrangement, and hence an abstraction. Thus any universally expressed interest is viewed as necessarily abstract.

The belief that political estrangement is a consequence of vertical intermediation led to the establishment of

self-managing communities of interest wherein interests would meet directly. Mediation was abstractly conceived as contractual relations between self-interested parties. Though a vertical dimension, up to the global socio-political community, was incorporated through the delegate system, the ethical content of this system was self-determination as the right of particular communities to represent and defend their particularity. As in Hegel's system of ethical life, delegates explicitly represent substantial communities up to the universal level of socio-political life. But following the principles of direct democracy and face-to-face relations, they took explicit representation to mean the direct and immediate representation of interests which are self-determined to the extent that they maintain their particularity.

The Yugoslavs hoped to overcome capital's abstract denial by positing the worker as an independently associated producer. But the substantive basis of this system is proletarian labour, albeit with some management rights over capital. The Yugoslavs focused on a revolution in content, but this substance was limited to the particular self-management of production and administration.

Self-determination was interpreted to mean the particular self-conscious comprehension of market relations. These were internalized and institutionalized into an associational form of production, but not inverted, or negated, into a subordinate moment of a higher ethical totality. Thus there was an implicit

acceptance of the "ethical" judgement of capitalism whereby the return on capital invested is the objective measure of good. But the economics which finds truth in the free, external motion of capital is the "scientific" articulation of capital's domination.

Their "socialist" idea of the distribution of income according to work implicitly accepts capitalist notions of work and reward. The mediation of freedom and necessity is sought within the confines of estranged labour and socially controlled capital. A Basic Organization of Associated Labour (BOAL) never loses control over its particular capital as it is integrated with other capitals. Thus the absolutization of particularity, within commodity production, is to be the means by which the direct producers begin to create a true human totality. But rather than an absolute defence of particular self-interest, true self-government depends on a process of the development of our inner being, of the education of individuality and particularity to universal self-consciousness.

The development of freedom to true concrete ethicality must have concrete existence as the self-conscious action of the self-managed producers. But the Yugoslavs' radical conception of direct democracy led them to consider the direct comprehension of universal relations, the political sphere of life, to be an abstraction. Thus they excluded political being from their notion of human substance when it is precisely the development of our universal nature which is most essential for the realization of socialism. This apparently radical system of democracy is

actually an ideology that masks a monopoly over political expression by the executives of the League of Communists.

According to Hegel, estrangement is transcended when universality is the substance of the individual and particular interests that make up the system of mediation. Yugoslav self-management is a concrete notion of socialism. Form and content are bound in the social subject through the integration of self-government and production as an immanent process that freely develops out of the self-conscious action of this same social subject. In a manner analogous to Hegel's dialectical political system, freedom is actualized in a Corporate moment of associational self-government. The Corporation, the organic interest association, is a modern substantial community wherein members participate in political life through particular working or living communities. But the merely contractual relations of Yugoslav self-management are constantly exposed to the contingency of self-interest. Socialist ethicality cannot be immanent in this self-interested contractual behaviour, if only because it excludes expressly political concerns. According to Hegel, politics is an association's sphere of highest concrete universality (Philosophy of Right, R303). It is through participation in a political discourse on the universal that ethical objectivity enters common sense.

In Hegel's system individuals and communities are bound into a concrete totality through organic political participation. Partial interests are mediated into authentic

universality through their participation in a self-conscious discourse on the universal. True universality is the result of the free expression of self-governing communities in determining the global direction of society. Partial interests must formulate themselves as political both to participate in the universal determination of social life and to determine the ethicality their particular activities and interests.

Mediation into concrete universality proceeds through an internal link in substance between the universal and lower interests. This direct link in substance is, in Hegelian language, universal self-consciousness. The self-conscious capacity of the affirmed producer would exist in the global life of free mass media, global interest associations, political movements and direct representation in global bodies. Without a self-management pluralist system of delegate representation out of particular communities, this global life would be abstract. But this organic representation is similarly abstract, the abstraction of the universal into the particular, without free global interest associations. It is through such associations that particular communities may formulate their interests as global, and so may become universally self-conscious in their particularity. Concrete universal ethicality exists in the self-conscious activity of communities of recognition to realize a project for universal human freedom.

The individual is raised to universality through associational political participation in the global determination

of social direction. The substantive condition for true self-government is the presence of a well-published and well-read critical intelligentsia which, through its circles of association, develops a universal critical self-consciousness in people of all walks of life. These circles of association would generate the concrete discourse of a universality which both truly represents substantive social relations and also turns universal ethicality in upon their particularity to make them globally self-conscious and responsible.

In a concrete universal this discourse is turned back onto its particular associations, not as formal legality, but as an internalized universality which is objectified in the practices of the members of these associations. This human subjective objectification becomes the basis for the next motion toward a truer ethical system. The system may become a fully dialectical concrete totality when the substance of association is affirmative labour motivated by a self-conscious humanist universality which has been internalized in the struggle of an historical-political experience of epochē, or absolute negativity. When this negativity is informed by the critical culture of an independent intelligentsia, human freedom may develop as the immanent dialectical development of critical self-consciousness.

3. Concrete Self-Government

Recognition as a free and affirmed individual obtains a real content through the mediation of labour. Labour is the activity

of the mediation of subject and object whereby man develops himself internally through his externalizations. In a concrete system, the individual enters social life not as a formal legal subject, but as a member of a community for the recognition of self-affirmative labour.

Hegel called the condition of mutual self-conscious affirmation ethical life. In the concrete universal, self-consciousness reflects into self-consciousness on the ground of universal subjectivity or absolute negativity. Since the Notion is self-subsistent negativity, i.e. negativity or creativity which posits itself as its own substance, dialectical motion changes from a mutual negation to mutual affirmation. The contradiction that overthrows capitalism is that, at a certain point, wealth can advance only if the specific concrete characteristics of labour are recognized by society organized as a concrete universal. A truly human concrete universal is moved by the immanent development of free necessary labour. Objectivity gains a human substance in the objectively developed capacities of individuals and in the associational life of self-governed communities.

Dialectic is the critical science of penetrating a given totality to discover the new totality implicit in the relations which constitute the given's essential internal limit. A true project for the realization of our human potential must have this capacity, not merely as a thought system, but as a power immanent in the system of social objectifications. Such

dialectical motion would be the activity of freedom, or of self-determination, whereby self-consciousness goes out from itself into a specific determination, reflects upon this objectification of itself and through this reflection returns to itself richer and more developed. It would be the immanent motion of our specifically human substance, self-conscious freedom. Human potential is the self-conscious judgement of the actually existing, determined as an objectification of universal humanist ethicality. This objective judgement determines the main internal limit of the given and thus defines the next action to be taken toward human liberation.

In a human concrete totality, the subjective essence of man determines itself on its own ground. The externalizations of work are primarily internal objectifications that build up man from within to develop his capacities. These new capacities then become the basis of the next motion of self-determination. Free self-affirmative activity becomes its own ground. This positive freedom is for itself in a dialectical political system wherein the negativity, or implicit human freedom, of every new objectification is negated as the basis for further human development.

Ethical Life and Realized Socialism

Two dominant themes have emerged in modern socialist thought. On the one hand, many socialists have come to recognize that the market may be the best means, under current conditions, by which to allocate scarce resources. Modern observers, having witnessed Soviet central planning, cannot fail to recognize certain technical advantages in the market system. At the same time, however, this new awareness of the need for a market has a second dimension. The market may be more technically viable than Marx realized, but the problem of the abstraction of ethicality into the externality of commodity exchange remains. It follows that modern socialists have a second obligation: they must determine the market mechanism as a moment of human ethicality. For a time it appeared that Yugoslavia had resolved this contradiction by creating an associational planned market economy within a federal system of associational democracy. Today, however, the Yugoslav solution seems less convincing. In an endeavour to explain the origins of Yugoslavia's current crisis, this thesis argues that the ethical commitments of Marxism must be reintroduced by returning to Marxism's own origins in Hegelian philosophy. The future of Marxism, from this point of view, lies in recovering its philosophical past.

The ethical basis of Marx's critique of the abstract

political and economic life of bourgeois society came directly from Hegel. In his Philosophy of Right Hegel criticized the notion of democracy as a formal voting process and counterposed to this estrangement a concrete community of ethical life. Marx shared Hegel's view of abstract citizenship, but he replaced Hegel's ethical community with the community of associated producers. In Marx's view the rights of human beings could only be established when the rights of capital were abolished. Marx traced the alienation of the citizen to the alienation of labour in the process of capitalist accumulation. In production people alienate their subjective capacities in return for the right to consume. Bourgeois ideology rationalizes the capitalist market by attributing production to capital and by reducing human beings to consumers. They are free to consume the products and politicians offered on the market; and the mass media in modern capitalism have the responsibility of convincing consumers that what they get is what they need and want.

Yugoslav self-management socialism is a negation of liberal democracy. As in Hegel's concrete notion of freedom, the human subject is free because he actively and self-consciously determines himself both in his productive activity and in his social life. The major problem with the Yugoslav system is that it emphasizes the democracy of associated production while tending to reject the free

expression of organized political interests. Following Marx, the Yugoslavs reduce the citizen to the associated producer. Hegel's approach would lead in a different direction. Instead of reducing social life to associated production, Hegel would argue that the associated producers must be elevated, through political discourse, into a concrete ethical community. Yugoslavia has failed to create such a community because it has constrained political life within the confines of a single-party system.

In Yugoslavia today there is still a tendency to think of socialism in traditional utopian terms. The view is implicitly accepted that dialectical development is merely an elaboration upon an already achieved socialist totality. Socialism is understood to be without special and conflicting interests and therefore without politics. In these circumstances, building socialism becomes technocratic social engineering, wherein even a movement toward greater participation, as in the Soviet Union today, is conceived in the manner of an engineering project. Though universality is implicit in the objective motion of the scientific-technical revolution, this is merely an abstract universality if the system does not recognize human self-determination as both the source and end of human community, to which all other considerations are subordinate. As the dialectical negation of capitalism, socialism should be the transcendence of abstract social relations by concrete relations.

Concrete ethical life is a system of recognition rooted in the universal human content of the self-development of our creative capacities. Without this substantial side, socialism is an abstraction, merely a reversal of the abstraction of capitalist society.

In the Yugoslav system of self-governing socialism the market is present, reflecting the free and spontaneous side of human development, but it is no longer the highest, determining totality. The problem is that no alternative to the market system of monetary recognition has been developed. Hegel developed a system for the concrete recognition of qualitative or human attributes with his notion of Corporate mediation. This articulation, in an environment wherein free self-affirmative and universally self-conscious labour is mediated as part of a concrete universal for the actualization of our creative capacities, is the mediation system of a social formation ethically grounded on human self-determination.

The Yugoslavs were the first to attempt to marry the market with a traditional socialist value system. After many years of trial and error, moving from state- to market-directed enterprise and finally to associational democracy, the Yugoslav system has now entered into its deepest crisis. The channels of self-criticism opened wide at various stages of this process and then were closed up. Nevertheless, there exists a pervasive awareness that the

current system must be changed. The more acute this awareness becomes, the greater is the possibility that reformers may eventually dominate opinion within the League of Communists.

When Yugoslavia first restored elements of the market economy, the ethical requirements of socialism were assumed to be satisfied insofar as the market was to be subject to planning. But to the more liberal Yugoslav economists, a planned-market economy meant nothing more than the planning of commodity production by individual enterprises. At the same time, traditional socialists understood the system to mean the political-institutional direction of the market by a federation of communes, provinces, republics and the federal government. Neither perspective was socialist in the sense of the producers self-consciously directing society. One perspective leaves the direction of socio-political life, ultimately, to the interplay of powerful, merely economic, interests. The other, in stigmatizing economic activity as unethical, leaves direction to powerful political interests. In the mid-1970's, the Yugoslavs finally resolved on an associational system of social direction in which associations of labour, interest communities and socio-political communities would self-consciously mediate their relations at each level of socio-political community.

From the perspective of concrete ethicality, the new

associational system was doomed to fail. Its fundamental flaw lay in the fact that mediation was abstractly conceived in strictly horizontal terms as contractual relations between self-interested parties. Though a vertical dimension, up to a global socio-political community, was incorporated through the delegate system, the ethical content of this system was self-determination as the right of particular communities to represent, maintain and defend their particularity. A concrete universal social formation exists in the self-conscious activity of its associations to realize a project for universal human freedom. Though Hegel's system was flawed in that it uncritically accepted the hereditary rights of the aristocracy, capitalist exploitation and the abstract mediation of the bureaucracy, its ethical content, in which individuals and communities are free to the extent that they determine themselves as universal, was fundamentally true.

This thesis is a synthesis of the thought of Hegel and Marx. Its purpose is to elucidate the relationship between Hegel's concrete and dialectical notion of ethical life and the Yugoslav project for socialism. As a voluntary system of self-government, wherein the estrangement of economic and political life is to be transcended by the organic mediation of interest associations and communities into a comprehensive totality, the Yugoslav system appears to be as much related to Hegel's critique of political alienation as to

Marx's critique of economic alienation. But the current system is tremendously self-contradictory. On the one hand, it establishes a system of corporate mediation remarkably similar to that of Hegel. On the other hand, the ethical motivation underlying the system is a project to dismantle all forms of mediation, because these are, apparently, the original source of the estrangement which the system of mediation is to overcome. According to Hegel, estrangement is transcended when universality is the substance of the individual and particular interests that make up the system of mediation.

Marx's dialectical critique of political economy demonstrated how the objective laws of the market occluded the subjective basis of human wealth by positing the capitalist, the possessor of money, as the producer, when in fact it was the workers who were the true creators of wealth. But while employing the Hegelian concept of universal self-consciousness to expose the false ethicality of capitalism, Marx developed his critique one-sidedly within the discourse of political economy. He analyzed the objective economic relation, the extraction of surplus value, which underlay the political class conflicts of capitalist society. But remaining within the positivist discourse of political economy, Marx could not clearly posit a concrete alternative to value relations.

This internal limitation has produced two conflicting

tendencies in Marxism. Marx's positivist orientation was wholly absorbed by Soviet Marxism to the exclusion of the dialectic of self-consciousness. This tendency has resolved itself into the technocratic ideology of scientific-technical revolution through social engineering. The abstractness characteristic of capitalism is absolutized, and socialism is reduced to management of the forces of production as an objective totality. Opposed to this tendency is the humanist and critical school of Marxism prevalent in Yugoslavia. While utilizing the whole of Marx's writings, this school found particular inspiration in his early works, which were most directly influenced by Hegel. Here Marx saw socialism as the culmination of the dialectic of self-consciousness wherein man's most human capacity, free creative activity, may realize itself to the full. Socialism is an inversion into concrete totality. This is not the conclusion of history, but only the beginning of our self-conscious ability to make history in pursuit of human ends. It is the end of externally determined history and the beginning of our true history, of concrete freedom's explicit self-development.

Hegel and Marx both see human self-realization as a historical and dialectical process, wherein particular mediations form distinct historical periods. Hegel's is the philosophy of self-determination as the development of self-consciousness toward the philosophical idea. Marx's

approach has been identified, especially by the humanist school prevalent in Yugoslavia, as an active philosophy for the transcendence of alienation. Man is viewed as estranged from his own universal, from his species-nature and his potential to become a free self-conscious subject.

Marx's theory of the alienation of labour can be traced to Hegel's early works, particularly his System der Sittlichkeit.¹ Marx's concept of alienation seems to have been inspired by Hegel's concept of actualization. He adopted from Hegel the idea that man creates himself through self-conscious labour, which is ultimately affirmed through objective, self-conscious recognition.² Man is self-determined as a concrete totality of freely associated producers. The first step toward self-determination has been on the side of reification, with the development of industry and the world market. Yugoslav Marxists see the completion of this motion in the self-conscious comprehension of this reification by the associated producers. But this is a misunderstanding of the concrete universal, which in fact means the negation and transcendence of this reification by an ethical system grounded on the recognition of subjective human capacity. Socialism is not merely the self-conscious control of materialized labour.

1 Mihailo Marković, From Affluence to Praxis (Ann Arbor: Longman of Canada, 1974), pp. 122-3.

2 Ibid., p.124.

Hegel's ethical life is concrete because the individual is actively self-determined as a universally self-conscious subject in the associational life of the community.³ Society is self-consciously organized and remains externally coercive only to the extent that universal, particular and individual interests have not been self-consciously mediated into a concrete system of right.⁴ The development of the true Hegelian state corresponds to the humanist Marxist idea of the withering away of the state through self-managed production and self-governing social relations. But humanist Marxists did not understand that inversion into the concrete means subsuming social and economic relations under a higher ethical order.

The universal, according to Hegel, is concrete when freely self-realized in the individual, or in the various communities and associations of society:

the principle of the modern state requires that the whole of an individual's activity shall be mediated through his will.⁵

Man is free when he lives according to his will, but only when that will has self-consciously internalized an objective system of ethicality. Individual self-consciousness is free as a universal, as opposed to a narrowly self-interes-

³ G.W.F. Hegel, Philosophy of Right (New York: Oxford University Press, 1967), P (Paragraph) 260.

⁴ Ibid., P218.

⁵ Ibid., A177.

ted, being. So long as freedom is conceived as the individual pursuit of private aims, the state can only be an external constraint.

The contradictions between state and society begin to dissolve as the state merely enacts and administers laws that are the concrete expression of substantively held universal self-consciousness. The universality of the state embraces particular interests when the latter have a mediated presence within the state itself. Hegel's concrete universal, as a self-differentiated totality, allows subjectivity full expression and a free existence in the independent lives of individuals and communities. Universality is the truth of particulars, and particulars are reconciled in universal freedom through the objective development of universal social relations side by side with the internal intellectual development of individuals. Individuals and communities freely will a universal that has a real content in their universal relations for the mutual satisfaction of need, and in their self-conscious recognition that individual freedoms reach their fullest development as freedoms for all.

Marx never posited a concrete alternative to utopian socialist and anarchist conceptions of socialism. As a consequence, the Marxist socialist movement tacitly accepted these as the only posited models. Because these models were primitive and abstract, they failed to meet the demands of

socialist political practice. Communists and Social-Democrats alike came to see socialism as requiring a "strong state" in order to exercise political control over the economy. Subsequent disillusionment with this statist approach, with the welfare state of the West and the centrally planned economy of the East, has brought a search for a new meaning of socialism. The conception that is emerging amongst European socialists is that of socialism as ethical life. Though theoretical debates continue, this new approach marks a definite step away from the statist model toward self-governing socialism. The Yugoslavs were the first to take this step. As pioneers on this road, they have created a model and practice which will quite possibly become the paradigm for the next phase in European socialist thought. This thesis hopes to hasten this development by making clear, in both theoretical and practical terms, what socialism as ethical life means.

Ethical life transcends both the abstract recognition of the market and of formal representation with a dialectic of recognition, in which the individual is affirmed through the recognition he receives from the particular working association of which he is a member. This association, and the individual through it, is self-consciously mediated into the universal moment of socio-political life. But this recognition is truly self-affirmative only if labour itself has a self-affirmative dimension. The Yugoslav experience

has shown that the traditional proletarian is indifferent to socialist self-management. Only professional workers, who are affirmed by the self-development inherent in their work and in the recognition they receive from colleagues, have both a capacity for, and an interest in, self-management.

The Yugoslav labour sociologists, Velko Rus and Vladimir Arzenšek, have now come to posit the professional producer as the subject of socialist self-management. Self-affirmation and autonomy are implicit in the ethics of professionalism. But Rus and Arzenšek still hold to the contractual notion of self-management, merely giving it a new subjective dimension. Professional associations can only become the substantive basis of concrete ethicality when dialectically negated as organic moments of a concrete universal for universal human emancipation. Otherwise, self-management would be the domain of a privileged stratum which exploits the rest of society. Socialism would mean nothing more than a democratically self-organized technocracy. Professional producers may indeed become the subjects of a self-governing socialist society but only through an experience of "historical epochē", through which they transcend the limitation of instrumental rationality and come to an intellectually developed condition of "heart", or substantive universality. This universal experience can only be the result of political struggle motivated by universal humanist ethicality.

In the Yugoslav model of socialist self-management, the universal and the individual are to become substantially and rationally mediated through communities of interest, function and territory. This rational-organic dialectic of recognition may develop into a living universal, with particular and individual determinations of universal human self-development if: 1) the subject of socialism is recognized as the affirmed and universally self-conscious producer; and 2) the ideology of democracy as the particular representation of partial interests, which masks the real political monopoly of the League, gives way to a true pluralism that self-critically and freely orients itself to the universal comprehension of social relations. In particular, most labour categories would need to possess the qualities of a profession, and the system as a whole would have to support mass media and a political life that facilitate and encourage dissonant political participation, i.e. self-conscious participation in the critique of all existing conditions.

Socialism is often seen as planned coordination. A rational society is one wherein personal, particular and general social plans mutually affirm one another. In a rational society, moments of subjectivity intersect through a discourse that authentically represents the totality of relations to the extent that it self-consciously turns dialectic inward upon itself to critically examine its own

premises and objectifications.

In a human concrete totality, the subjective essence of man determines itself on its own ground. The externalizations of work are no longer mere material objectifications, but primarily internal objectifications that build man up from within to develop his capacities. These new capacities then become the basis of the next motion of self-determination. This is analogous to profit for reinvestment, but it is not a fetishistic form of wealth. It is the human wealth of activated, or living, accumulated culture. Unlike the abstract motion of capital, this motion must of necessity occur within a particular living community. In an ethically organized system of social production, this community is a pedagogical and professional association that, while focusing on its self-development and its own particular processes in the social reproduction of life, turns a universal ethical and self-critical discourse in upon itself as a moment of concrete universal ethical life. In these conditions, free self-affirmative activity becomes its own ground. This positive freedom is for itself, or concrete, in a dialectical political system wherein the negativity, or implicit human freedom, of every new objectification is recognized, and hence negated, as the basis for further human development.

The Development of a Concrete Critique in Yugoslavia

1. Introduction

The League of Communists initiated critical Marxism in Yugoslavia with its own critique of Stalinism. This criticism came to be turned in upon itself, especially with the development of the Praxis group, during the 1960's. Unlike the Soviet Union and other countries of Eastern Europe, in Yugoslavia there are close ties between the critical intelligentsia and the intellectual leadership of the ruling party. They have gone to school together; they are friends; they intermarry. It should not be surprising then that ideas freely travel between these two groups. Common ideas are transformed through the practical activity of the party leadership and the critical activity of the independent intelligentsia. The mutual reflection and internalization of these critical and practical activities is the dialectic that develops Yugoslav socialism.

Great thoughts are produced in certain world-historic moments. Such times may be philosophically comprehended as moments of "historical epochē", when the old ways of doing things are totally undermined by a new universal outlook. The late 1960's was such a moment, one which, in particular, focused on Yugoslavia. Two leading representatives of this moment were Mihailo Marković and Svetozar Stojanović of the Praxis school. This school's critique of anarcho-liberal market socialism was internalized by the League and, through

its practical activity, came to be embodied in the new associational system of self-governing socialism, introduced in the 1970's. This objectification has revealed some limitations in the thought of this particular school of critical Marxism. Although Marković and Stojanović and others of the Praxis school, particularly Rudi Supek, began the development of a concrete critique of self-management, they were limited by their participation in a critical Marxist discourse which had been fundamentally influenced by a phenomenological interpretation of Hegel and Marx.

According to Markovic, critical Marxism's basic commitment to the "merciless critique of all existing conditions" does not refer to a certain "objective" and "scientific" method of perpetual criticism, but rather to a commitment to the dialectic of a humanist ethical totality.¹ This thesis continues the work of Marković and Stojanović by endeavouring to make more explicit the Hegelian roots of Marxist ethicality, in particular, of Hegel's notion of freedom as a concrete universal. Hegel and Marx share a common notion of freedom as the "ability of self-determination and of rational control over blind forces of nature and history".² But Marx had not developed self-determination into a concrete universal concept. He also had tended to conceive

1 Mihailo Marković, From Affluence to Praxis, (Ann Arbor: Longman Canada Ltd., 1974), pp.56-57.

2 Ibid., p.62.

rationality as technical control over the social reproduction of life. This limitation created the possibility for Marxism to become a techocratic ideology.

The critics gathered around the journal Praxis addressed numerous problems of Yugoslav self-management, but they did not explicitly challenge Marx's "immediate" understanding of universality. The immediate relationship between the universal individual and his universal, or species-self, is not filled out into concreteness through the mediation of a moment of organic particularity. Marx's delegate system of representation is radical, but it is still formal because it is merely democratic. A true concrete universal is not a direct democratic institutional system of representation. As the Yugoslav concern for self-management already implies, a concrete universal must be mediated through particular associations of interest in a way which permits these interests to be articulated and reconciled politically. Human freedom establishes itself when democratic forms no longer suppress this particular content. This thesis hopes to demonstrate that human freedom establishes itself as its own concrete content through the particular organic self-mediation of its substance in human self-actualization.

The Praxis school, following Marx, saw the end of alienation, hence the beginning of true human self-determination, as the end of the division of labour and of special-

lization.³ In particular, political alienation would end with the deprofessionalization of politics. Yugoslav experience and sociological investigation both challenge this early critique. The negation of professionalism cannot mean the suppression of specialization. Professionalism is dialectically negated as a moment of an integral system of self-management which turns universal humanist ethicality in upon its particular discourses and activities.

Marx wrote that:

Universal labour is all scientific labour,
all discovery and all invention.⁴

Today, this means participation in a particular scientific discourse community. A concrete universal is self-mediated with universal, particular and individual moments. The individual does not freely actualize himself as universal by becoming a "Jack of all trades". The most concrete determination of freedom is an individual focusing his powers on a particular activity and applying them to their fullest capacity. He realizes himself as universal, as Hegel wrote, by engaging in objectively developed practical activities.⁵ Concrete universal self-determination is actualized in self-disciplined and creative work as a member of a discourse community, which has developed human subjective

3 Ibid., p.122.

4 Karl Marx, Capital Vol. 3 (New York: International Publishers, 1967), p.104.

5 G.W.F. Hegel, Philosophy of Right, P197.

capacity into a particular objective universal. This particular universal is a moment of universal human self-actualization to the extent that its activity is the intellectual development of substantial universal ethicality, or "heart", and, of course, to the extent that such free activity is generalized. This universal substance may be developed through Corporate mediation, as outlined in Hegel's Philosophy of Right, which turns the ethicality of human self-determination in upon the internal life of these discourse communities. Through this mediation, the particular universal work of individuals, in particularly self-conscious organic communities, may become the concrete actualization of freedom.

2. Yugoslav Socialism

A society wherein the producers control the results of their labour is generally recognized as both the ethicality and the actuality of realized socialism. As an objective consequence of this condition, external relations of power should wither away. Yugoslav socialists have asked: Why then has there not been a motion toward the producers controlling the results of their labour in "actually existing socialism", and why have socialist political movements tended to enhance the power of the state?

The turn toward statism on the part of socialists and communists developed first in practice and only later came to be reconciled with theory. Organized as political

parties, engaged in a political struggle for state power, socialists came to see class support as an instrument for the acquisition of power. State ownership and operation of production became identified with the realization of socialism. Thus Marxism underwent a pragmatic, bureaucratic revision, the substance of which is the transformation of the historic goal of the liberation of the producers into that of strengthening the power of the state.⁶

According to Kardelj, state property forms are based on the bourgeois right of property as title to an object, that is, the right to alienate, whereas authentic social property must necessarily be the expression of non-reified social relations.⁷ In the statist property form the state holds title to property and directs the economy, and the producer is the state's employee. This form of property negates private capital, but it does not negate the reification of social relations as the primary source of interest formation.⁸ The administrative apparatus of the state assumes a position of economic dominance over the proletariat, and this administration's particular interest is thereby abstractly universalized.

6 Najdan Pašić, Interesi i Politički Proces (Beograd: Izdavački Centar Komunist, 1983), p.125.

7 Edvard Kardelj, "The System of Socialist Self-Management in Yugoslavia" in Blagoje Boskovic & David Dasic eds. Documents (Belgrade: Socialist Thought and Practice, 1980), p.25.

8 Pašić, Interesi i Politički Proces, p.201.

The Soviets originally thought that the state could abolish the market. They forgot that capitalism is a world system, as the universalization of commodity exchange, with the result that the influence of the world market is objectively present everywhere as the totality ultimately determining economic relations. The Yugoslavs could not accept the Soviet model because political integration from above would be construed as an attempt to establish Serbian domination. The Soviet centralized system was an impossibility in a multinational community where the nations were relatively equal. Thus the first step toward integration for the Yugoslavs had to be from the economic side by way of market integration, or some form of market socialism. The proletarian character of collective property forms would therefore be guaranteed by a system of workers' councils.

The key element of Yugoslav social self-management, the integral socio-political community, began to develop in practice during the partisan struggle as an adaptation of theory to the needs of a communist-led, peasant armed struggle against a fascist foreign aggressor.⁹ It followed both the spirit and the letter of Marx's analysis of the Paris Commune, but conflicted with Marxist-Leninist norms of "democratic centralism" as interpreted by the Soviet Union. It was the refusal to give up this form that precipitated

9 Ibid., p.340.

Stalin's expulsion of the Yugoslav Marxists.¹⁰

In 1954 the Yugoslavs constitutionally established "social property" forms as an alternative to statism. Enterprises were allowed freely to dispose of the results of past labour in return for an interest payment to the state. These interest payments flowed into a general investment fund from which new credits were given in accordance with the social plans of the federal, republican and communal governments.¹¹ The new system was to give the workers direct control over the disposal of necessary labour and to provide for the disposal of surplus labour through a representative system.¹²

The Soviet abandonment of self-determination began with the confusion of the dictatorship of the proletariat with a particular form of rule - that of the monist state. The Yugoslavs corrected this approach by defining the realization of socialism with respect to production and social relations.¹³ The dictatorship of the proletariat, in the Yugoslav view, signifies a social formation wherein the substance of power, the force underlying relations of political power, is the dominant position of the producers

¹⁰ Ibid.

¹¹ Vladimir Bakarić, "The Law of Value and Planning in Yugoslavia", Socialist Thought and Practice 23 (January, 1983):91.

¹² Ibid., p.93.

¹³ Pašić, Interesi i Politički Proces, p.121.

in production and in social relations. This dominance is to be expressed in a political system which fulfills both the immediate and long-term interests of the workers. The major difference between the Yugoslav and previous Soviet conceptions of socialist democracy is that the Soviets considered democratization to entail increasing participation in the administrative structures of the state, whereas the Yugoslavs consider it to be a democratization of basic production and social relations in society, as a result of which the superstructure, as an accurate reflection of these relations, will itself become truly more democratic.¹⁴ The workers cannot be free as paid employees of the state. The Yugoslavs plan to transform the character of the production relations themselves, and thereby substantively establish the basis of true democratic life.

But they share with the Soviets the principle of the transcendence of historical alienation through a total fusion of working and living communities into a single nonmediated whole. This notion is politically regressive, even though it pursues the historically progressive goal of the emancipation of labour. Such a system has no internal political dynamic, no mutually beneficial motion between various levels of identity. What is worse, the historic goal of the emancipation of the proletariat becomes identi-

¹⁴ Milentije Popović, Razmatranja o Pitanjima Savremenog Društva, (Beograd: Kultura, 1964), p.231.

fied with strengthening the power of the state. This has happened in Yugoslavia, despite the system of free associated commodity production.

The Yugoslavs retrieve the original notion of socialism as a social formation based on an associated mode of production, a civil society that is the human society of freely associated labour, wherein state power declines as the self-organization of society grows out of the system of needs. In Yugoslav theory, state and society are in an antithetical relationship wherein the state, as a coercive force, declines as self-administration out of the system of needs increases. The Yugoslav theory is an attempt to fashion a non-estranged social system, wherein the conflicting relations between capital and labour would be transcended by bringing the conditions of production under the control of the direct producers.¹⁵

Unfortunately, despite this theoretical commitment, the Yugoslav political system is in fact not particularly well developed. Political practices remain monist within quite singular national republics. The means necessary for the self-organization of society, independent media for the articulation of self-organized interests, are not present. The autonomous articulation of social interests, through a rational and critical discourse, has not developed.

¹⁵ as a theoretical antecedent see for instance the Hegelo-Marxist Antonio Gramsci, Selections From the Prison Notebooks New York: International Publishers, 1971), p.263.

Particular groups are prevented from articulating their version of the social interest. The universal is an abstraction because it is not formed out of the free expression of particularity.

Orthodox Marxists have typically characterized politics as part of the sphere of alienated activity. They have, in consequence, perceived socialist society as one without politics, as a merely administered society. Marković, of the Praxis school, takes the view that politics is not necessarily an alienated activity and calls its pursuit in non-alienated conditions political praxis.¹⁶ Politics is political praxis to the extent that it is an authentic expression, out of an informed and freely associated system of needs, that fulfills authentic human need in a non-exploitative manner. Human community is the base of political praxis, as opposed to the illusory community of the market.

The theory of self-management, as a transitional form, was incorporated into the programme of the LCY, the League of Communists of Yugoslavia, at its VIIth congress, in 1958. The new programme rejected the Soviet notion of the transitional epoch as one of nonantagonistic social relations.¹⁷ Contradictory relations were acknowledged to exist between the state administration, which seeks to monopolize power and to maintain wage relations, and the proletariat,

¹⁶ Marković, From Affluence to Praxis, p.229.

¹⁷ Pašić, Interesi i Politički Proces, pp. 118-19.

which seeks to establish socialist self-managed relations.

The intellectual core of the LCY stood at the centre of the development of political thought. Such men as Tito, Kardelj, Veljko Vlahović, Milentije Popović and Vladimir Bakarić emerged as the founders of the Yugoslav road to socialism.¹⁸ Others, such as Predrag Vranicki, Rudi Supek, Mihailo Marković, Svetozar Stojanović and Ljubomir Tadić, were important contributors to the development of a concrete concept of self-governing socialism which has become the basis of self-criticism in Yugoslavia. They are members of Yugoslavia's independent, often critical, intelligentsia, many of whom are currently housed in the economic niche of Yugoslavia's many small, government-funded, research institutions and supplement their income through publications or by working abroad. Their criticism has influenced both the League and the established academic community.

The decisive step for the creation of workers' self-management in Yugoslavia was the early separation of the party from the state. This separation is now often portrayed as a step intended to free the state and economic apparatus from the influence of the Communist Party of Yugoslavia. Quite the opposite was the case. The move was in fact intended to free the party from bureaucratic and technocratic influences, in order that it might truly

¹⁸ Mitja Ribičič, "The LCY Programme has Reaffirmed its Vitality," Socialist Thought and Practice 23 (May 1983):4.

represent the historic interests of the direct producers.¹⁹

The Communist Party became the League of Communists (LCY) in 1952. The change was explained in terms of a return to the principles espoused by Marx and Engels in the Communist Manifesto.²⁰ Communists were to be the most advanced section of the working class, able to link day-to-day struggles to long-term historic interests.²¹ The LCY embraced this original view and departed from orthodox Leninism by giving up the "vanguard" role of the party. Instead, members of the LCY were to be the leading element within various proletarian and popular organizations.²²

The Yugoslavs also accepted the classical Marxist position on the withering away of the state and the disappearance of a special political organization of the class. They aimed to widen the self-direction of the producers and to create conditions for the expression of self-management interests. They saw an inverse relationship between the power of the state and the monopoly of political expression by the party on the one hand, and the growth of socialist

¹⁹ Edvard Kardelj, Contradictions of Social Property in a Socialist Society (Belgrade: Socialist Thought and Practice, 1981), p.17.

²⁰ Mitja Ribičič, "Marx's Authentic Thought Comprehensively Applied in Yugoslavia," Socialist Thought and Practice 23 (April 1983):4.

²¹ Pašić, Interesi i Politički Proces, p.271.

²² Boris Hajer, "Communists and the Political System," Socialist Thought and Practice 23 (May 1983):61.

pluralism on the other.²³ The party of the workers should only be an institutionalization of the revolutionary self-activity of the class. Any activity beyond this was seen as bureaucratic usurpation of the rights of the producers.²⁴ Bureaucratic estrangement was seen to develop on the basis of political alienation.²⁵

The separation of the party from the administrative implementation of policy resulted in an unprecedented phenomenon, preservation of the critical and intellectual integrity of a Communist Party while in power. What distinguishes the LCY from the parties of other socialist countries is that some of the best Marxist intellectuals in the country are at the head of the League. Without this intellectual capacity, the party could never have initiated the series of reforms that have brought the current self-management system into being.

But the 1958 Programme retained the League's leading or directive role, in which it is the organized expression of the subjective factor. The whole of dialectical development is to be contained within the League itself. On one side, its activity is objective, including policy-making and measuring objective relations and conditions; and on the

²³ Pašić, Intersi i Politički Proces, p.126.

²⁴ Bogdan Trifunović, A Handbook of Yugoslav Socialist Self-Management (Belgrade: Socialist Thought and Practice, 1980) p.40.

²⁵ Ibid., p.120.

other side, its activity is subjective, aggregating, articulating and attempting to realize various self-management interests.²⁶ This dialectical relationship between the objective and the normative sides of the League reflects the belief that a scientific analysis of objective possibilities and conditions will not be realized in policy unless there is an informed and conscious public, who can understand and willingly execute the policy.²⁷ In its subjective and objective capacities, the League is to act as the mediator between the normative and the actual.

The problem is that a single organization measures, develops, perhaps even generates, and finally realizes interests. The League has a political monopoly and, as a political party, is one of the very forms that it believes socialism should eliminate. Side by side with this formal separation of politics from social life are commodity relations, the ultimate source of this formal separation.²⁸

Despite this limitation in the political-institutional system, the intellectual quality of the leadership and the real dialectic of criticism and practice in the intelligentsia have brought continual critical self-analysis. Bakarić has criticized some of his original notions of worker self-management as idealistic. The principles of socialist

26 Pašić, Interesi i Politički Proces, p.136.

27 Ibid., p.139.

28 Ibid., p.329.

work organization were derived directly from an analysis of chapter one of the first volume of Capital. There was an assumption of simple commodity production, wherein the worker labours with capital and then sells the product. But why should the categories used to analyze capitalism be used for a socialist society?²⁹

In the early 1950's Kardelj developed the notion of the working people, a category to which everyone in Yugoslavia belonged. The failure of the 1965 reform and the subsequent political crisis forced Kardelj to re-evaluate this category and his own perception of Yugoslav society. In the 1970's he began to analyze Yugoslavia with respect to class relations (such as workers, peasants, private entrepreneurs, technocrats and bureaucrats) and the institutional structures of Yugoslav society.³⁰ Kardelj's main concern was the growth of technobureaucratic relations.³¹ In the end, he saw Yugoslavia divided between two principal classes - the "technobureaucracy" and the proletariat.

The League has moved a step closer to fully developed concrete self-criticism with the publication in 1986 of Mijalko Todorović's Političko Biće Društvene Krize (The

²⁹ Vladimir Bakarić, "On Some Questions of Marxism," Socialist Thought and Practice 23 (January 1983):101-2.

³⁰ Djuro Medić, "Relations of Production and the Class Struggle in the Works of Edvard Kardelj," Socialist Thought and Practice 23 (April 1983):90-1.

³¹ Ibid., p.100.

Political Being of Social Crisis). In this book, the main theorist of the role of the party advocates the end of the League's monopoly over global, or political, expression. This thesis agrees with Todorović that the development of Yugoslav socialist self-government depends primarily upon freeing the global articulation of interest. The League should surrender its monopoly, as the organized expression of the subjective factor, to the diverse unity of a concrete universal system of interest mediation.

In a manner analogous to Hegel's dialectical political system, the Yugoslav system of self-management is based on an ostensibly concrete system of corporate mediation. These associations are a locus for self-actualization in one's social capacities as well as the formal structure for the articulation of organic interest. Every work unit capable of producing a commodity is recognized as a free association of producers, that is, a BOAL (Basic Organization of Associated Labour). The BOAL is to negate the wage-labour relation that internally divides both capitalist and statist enterprise. The workers are to manage and organize themselves around a common interest, defined by their production relation to other BOAL's and by their socio-economic relation to various self-governing communities. Unfortunately, the BOAL is in fact divided against itself. Its position as a commodity producer and as a fundamental organic moment of the socio-political community is difficult

to reconcile. Its internal hierarchical structure of work, combined with the technical division of labour, generates tensions and even class conflict.

Hegel's Corporation lacked ethicality in-itself because its truth, the concrete recognition of particular labour, was not that of the system as a whole. Money is unreflectively accepted as the mediating element of Hegel's civil society, with ethicality guaranteed by the state administration. The Yugoslavs hoped to mediate the service sector of their economy by self-conscious relations, or the free exchange of labour, which would avoid market reification. It was hoped that the provision of social services would then not be estranged from the human community, and value exchange would be subsumed under a delegate system of representation. But the self-conscious and direct exchange of labour, which includes abstraction into value even as a subordinate moment, cannot in itself overcome estrangement. The content of the social relations must be universal. This implies an historical transformation which negates abstract value recognition by a system of concrete recognition.

The associated producers, in the Yugoslav system, are to be bound into a global community directly along organic lines defined by commodity relations. Each commodity relation is directly subject to the self-conscious agency of a free association of producers. This arrangement creates the potential for a fully planned market, integrated up

to the global level, through the free association of labour. Each BOAL links with others according to its self-interest and through voluntarily negotiated contracts. A higher level of ethicality is brought in through the legal obligation to enter into agreements with the socio-political community and to negotiate the free exchange of labour with the self-managing communities of interest which provide services. It is believed that BOAL members should willingly do this because these services are an extension of their own personal consumption in the sphere of health, education, community services, etc.

The integral relations of the theory of Yugoslav socialist self-management correspond to Hegel's notion of civil society in the modern state. But as Hegel demonstrated, the merely contractual relations of civil society, even when conceived as social contracts, leave man in an unfree condition, determined by the contingency of external relations. Contractual relations become the expression of freedom only when determined as internal moments for the realization of freedom as a concrete totality.

The state in Yugoslav theory, as in Hegel's, is to be the highest moment of an integral totality. The difference between Hegel's state and the Yugoslav skupština, on the one hand, and a parliament on the other, is that parliament is an independent body that bears the sovereignty of the people on the basis of the trust the people have

placed in it, whereas the skupština is to be the highest moment of an integral form of self-determined social organization.³² Contrary to the conception of representative bodies, as the institutional framework in which political parties realize various private and public interests through a contest for votes, the highest assembly in Yugoslavia is to be an integral part of the mechanism of social self-government and of the process of the material reproduction of life.³³ But the problem is that the system of mediation only recognizes partial interests in their specificity. There is no dialectical motion by which particular interests are internally motivated by the substantively universal character of their particular interests as moments of a concrete universal of human freedom.

The most commonly accepted critical Marxist notion of the transcendence of alienation, as the fusion of living and working communities, is incorrect. In Yugoslav practice this has meant a fusion of functional and territorial communities. At various levels of territorial community - commune, province and republic - functional and territorial community fuse into an integral living community through the mediation of an assembly composed of three chambers: the first chamber consists of functional delegates from work communities, the second includes delegates from territorial

32 Pašić, Intersi i Politički Proces, p.310-11.

33 Ibid., pp. 311 & 367.

communities, and the third set of delegates come from socio-political organizations. The functional chamber has veto power over all matters that require expenditure. Despite this provision, territorial community has dominated functional. It is not only a problem of territorial identification being much stronger than functional, but the fact is that functional and territorial coincidence is not appropriate in any society with a highly developed division of labour. The motion of labour and technical integration cannot be bound to any particular territorial community. The principle of territorial integration has meant, in practice, that particular groups of politicians rule the economy in the narrow interest of their own locality. Labour integration becomes subordinate to an abstract political decision. Communes and republics pursue autarky. The anarchist may be pleased, but in such conditions the standard of living declines and progress is halted, as is obvious in Yugoslavia today.

The notion of the transcendence of alienation, as the integration of functional and territorial communities into a directly integral living community, wherein subjects meet face-to-face on the model of direct democracy, leads to the politicians and administrators of the territorial community taking over the functional sphere. In Yugoslavia the key role is taken by a particular local government. In the Soviet Union the politicians take control over a single

integral system. The producers in both cases are effectively deprived of any independence in relation to the political administration. Without this independent ground, autonomy would be difficult, even if opposition were formally accepted. When it is not accepted, this notion of disalienation is simply interpreted to mean that in socialism there is and can be no real opposition.

3. The Introduction of the Concrete Universal

Hegel and the Yugoslavs shared the common political problem of how to develop a self-conscious integral system of freely associated diverse elements. The mediation of subjectivity to the self-conscious comprehension of the totality of relations, for both Hegel and the Yugoslavs, depends on the development of an organic legal system that authentically expresses social needs and community life.

Yugoslav Marxism's interest in Hegel arose from a fascination with the early Marx and the theory of alienation. A strong humanist content, drawn from Marx's early writings and stressing participation in social labour with dignity and, if possible, in a way that realizes creative potential, is common to all Yugoslav Marxism. Yugoslavia's critical intelligentsia was deeply influenced by the humanist school in Western Marxism, particularly the writings of Erich Fromm.

The intellectual most deeply influenced by Fromm was Mihailo Marković:

The revitalization of Marxist philosophy in Yugoslavia began, and has continued to be characterized by, the resurrection of the subjective, humanist aspect of Marx's thought ...³⁴

Marković's 1951 critique emphasized that diamat's failing was not solely the result of objective circumstance, as Kardelj and Djilas stressed, but also arose from subjective factors and theoretical deformation. Marković's main argument was that orthodox dialectical materialism left the human subject out of the dialectic.³⁵

Of particular concern for this thesis is the Yugoslav preoccupation with the German philosophical concept of totality. The transcendence of alienation, which is also the realization of self-determination, may be expressed as the integration of the individual and the particular into a totality as moments of their self-expression. Realized socialism depends upon the establishment of a social formation with self-determination as its moving principle. Predrag Vranicki's publication of his thesis, On the Problem of the Universal, the Particular, and the Individual, in 1952, was the first book of a distinctly Yugoslav Marxist school of thought.³⁶ This was followed, in 1953, by his Intellectual Development of Karl Marx, which demonstrates the humanist unity of Marx's work, and also by the first

³⁴ Gerson Sher, Praxis, (London: Indiana U.P., 1977), p.18.

³⁵ Ibid., p.19.

³⁶ Ibid., p.21.

Serbo-Croatian edition of early works by Marx and Engels.³⁷ These works set Yugoslav Marxism into motion, inaugurating a flood of literature on the theory of alienation.³⁸

Vranicki's main contribution at this time was his retrieval of the early Marx. He analyzed, in his thesis, the relationship between the individual, particular and universal in Marx and Engels as the constant transformation of concrete totality. The totality is a series of concrete socio-economic formations, each set on a particular mode of production, but the relationship to Hegel is direct:

As we demonstrated in the theoretical part, the universal and particular reveal themselves in their own activity as necessity.³⁹

According to Vranicki, Marxism now confronts two mystifications of social reality, one coming from bourgeois philosophy and the other from the leaderships of Soviet-type societies.⁴⁰ In bourgeois philosophy the mystification occurs through the complete estrangement of the subjective from the objective.⁴¹ When science is separated from philosophy, philosophy becomes lost in idealism and subjectivism while science loses touch with ethics. The problem

37 Ibid.

38 Ibid., p.22.

39 Predrag Vranicki, O Problemu Općeg, Posebnoq i Pojedinačnog Kod Klasika Marksizma (Zagreb: Matica Hrvatska, 1952), p.110.

40 Ibid., p.ix.

41 Ibid., p.x.

of the relationship between the general, particular and individual was the main question confronting the development of dialectical materialism and revolutionary practice. This is precisely why theoretical investigation into this aspect of dialectics was suppressed by the Informbureau.⁴²

In the argument of his thesis, Vranicki relied heavily upon Engels' exposition of the dialectic at the level of the philosophy of science.⁴³ This exposition explains the relationship between an individual datum, particular and more general statements. Any particular fact is the intersection of a number of laws of a more or less general character. Thus a particular quantum has a qualitative character given by these laws. These laws, in turn, are substantiated by the data which confirm them. This is not a collection or mechanical sum of empirical data. They are bound by an internal logic into qualitative instance and concrete universal. Vranicki concludes his theoretical section on the mediation of the individual, particular and general with a quotation from Engels' Dialectics of Nature on the three laws of the transformation from quantity into quality. He characterizes the law of the transformation from quantity into quality as the fundamental law of the mediation of the individual and the universal.⁴⁴

42 Ibid., p.x.

43 Ibid., pp. 67-84.

44 Ibid., p.67.

Engels saw his analysis as a materialist reinterpretation of Hegel. But it was an appropriation as well, not only of logic, but of ethics. This fact was so clothed in scathing criticism that most Marxists simply became positivists with no real understanding of the dialectic. In Vranicki's opinion it was Lenin who rediscovered the dialectic and brought the self-conscious subject back into the Marxist conception of history.

The strongest evidence in support of Vranicki's thesis was Lenin's favourable attitude toward Hegel. Lenin more successfully appropriated Hegel's logic and contributed, though in a fragmentary way, to the further development of this aspect of dialectical materialism. Lenin emphasized the unity of theory and practice. Theory manifests itself in practice; and practice is only possible with theory. The development of ideas is neither an abstract nor a contemplative process; rather it is a sensuous living activity. The universal is not dead or abstract, but living and continually renewed by practical activity. The notion that human reality is a living, sensuous reality, argues Vranicki, is the basis of Lenin's reinterpretation of Hegel.⁴⁵

Lenin was engaged in the practical task of the transformation of history. He viewed the relationship between individual, particular and universal in terms of this praxis. Each historical moment was seen to be a specific

45 Ibid., p.173.

unity of general and particular tendencies. The mediating element is practical activity, both as the cognition of the universal and as its transformation.⁴⁶ The meaning of an action was largely a function of the historic moment in which it was situated.⁴⁷ The correct scientific analysis of each particular and individual historical moment was seen to be the most important precondition for the success of revolutionary action.⁴⁸ For Lenin the problem of the individual, particular and general was one of tactics within the overall strategy of proletarian revolution. His theory turned on the question of how to read each particular historic moment with respect to relations of force. The relationship between the individual, particular and general was the practical science of professional revolutionaries structuring social relations toward a classless and stateless society.

At the time when Vranicki was writing his thesis, Yugoslavia had embarked on a course toward the withering away of the state through a system of worker management and social self-government. His thesis, however, did not venture into the ethical question of how to bind freely associated producers into a concrete integral community. Its main contribution was to point to the necessity of

46 Ibid., p.156.

47 Ibid., 130.

48 Ibid., p.126.

referring to Hegel to resolve questions of the relationship between the individual, particular and universal. He pointed to the abandonment of Hegel and of the dialectic as the main theoretical source of Soviet revisionism. Conversely, he saw their reappropriation by Marxists as the main road forward for the workers' movement.

The problem of developing the concrete universal as an ethical totality had to await Marxism's universal moment of self-doubt and renewal in the 1960's. In the books Between Ideals and Reality (1968), written by Svetozar Stojanović, and From Affluence to Praxis, written by Marković during the same period of intense critical activity, the concrete universal would be developed as an ethical totality. That Vranicki, in the early 1950's, could simply omit the question of ethicality, when ethicality is both the content and form of the concrete universal, attests to the positivist appropriation of dialectics by Marxism. The concrete universal is a concrete ethical totality. Dialectic is an immanent motion into ethical totality. The work of Marković and Stojanović, and others, would show the barren character of all previous Marxist dialectics which had excluded ethicality as a merely superstructural phenomenon.

Hegel's mature system of the Encyclopedia and the Philosophy of Right, as it relates to political activity, was the main influence on Vranicki's thesis. It is interesting that the part of the Logic most critical for

Vranicki's mediation of the universal, particular and individual was

the category of appearance in relation to its own essence.⁴⁹

Though they developed a truer notion of the concrete, Marković and Stojanović maintained the common Marxist error of focusing almost exclusively on this moment of particularity, or the Doctrine of Essence, in the Logic. Motion into the concrete, following Marx, is defined as the mediation of the contradiction between essence and existence.⁵⁰ When combined with Marx's immediate conception of universality, self-determination is conceived as that of particulars joined into an immediate universal.

According to Hegel's Logic, essence and appearance are mediated into actuality. The actual, the centre of Hegel's system, is the moment wherein the universal fills itself with content:

Actuality is the unity, become immediate, of essence with existence, or of inward with outward.⁵¹

Actuality is a "concrete category",⁵² "which includes

49 O Problemu Općeg, Posebnog i Pojedinačnog, p.37.

50 Svetozar Stojanović, Between Ideals and Reality (New York: Oxford University Press, 1973), p.20.

51 G.W.F. Hegel, Hegel's Logic, William Wallace, trans. (Oxford University Press, 1975), P142.

52 Ibid., P143.

possibility as an abstract element".⁵³ The actual first appears to consciousness as the contingent, as "something merely possible":⁵⁴

To overcome this contingency is, roughly speaking, the problem of science on the one hand; as in the range of practice, on the other, the end of action is to rise above the contingency of the will, or above caprice.⁵⁵

The Marxist category of objective possibility, made famous by Lukács,⁵⁶ comes directly from Hegel:

When this externality (of actuality) is thus developed into a circle of the two categories of possibility and immediate actuality, showing the intermediation of one by the other, it is what is called Real Possibility. Being such a circle, further, it is the totality, and thus content, the actual fact or affair in its all-round definiteness. While in like manner, if we look at the distinction between the two characteristics in this unity, it realizes the concrete totality of the form, the immediate self-translation of inner into outer, and of outer into inner. This self-movement of the form is Activity, ... Developed actuality, as the coincident alternation of inner and outer, the alternation of their opposite motions combined into a single motion, is Necessity.⁵⁷

This pinpoints the moment of actualization, but only as the

53 Ibid., R143.

54 Ibid., P145.

55 Ibid.

56 Georg Lukács, History and Class Consciousness (London: Merlin Press, 1971), p.73.

57 Hegel's Logic, P147.

moment of particularity in a concrete universal. Marxism took this mediation to be the totality and thus flattened the concrete into the revolutionary moment of actualization.

Necessity, as the union of possibility and actuality, is a limited form, below the Idea in the doctrine of essence, at the transition from essence to the Notion.⁵⁸ The concrete universal is the invasion of this form into the internal necessity of universal self-consciousness. Contingency is overturned to become the actuality of the ethical idea in its various determinations.

4. Marković's and Stojanović's Humanist Critical Marxism

In dogmatic Marxism, the basis refers to industrial production and infrastructure. The realization of socialism is found in the advance of production and is measured by material indices. At some per-capita rate of industrial production, it is claimed, full communism will be realized. In the Praxis school, on the contrary, the basis is human need; and the most human of needs is praxis, self-affirmative, self-conscious labour. Self-affirmation requires the recognition of another self-consciousness, hence, it is only truly possible for man as an integral species-being.

One of the most trenchant criticisms of this dogmatic Marxist cult of the colossal can be found in Stojanović's book, Between Ideals and Reality:

58 Ibid., R151.

In no way can thought inspired by Marx find the basic indicator of socialist progress in material construction alone. Nevertheless, the technical and technological reductionism of the statist class claims to follow Marx. As usual this mystification makes use of an element of reality: the dependence of all social life on the development of the forces of production. But for Marx this dependence was not of an evaluative nature, as it seems to be to the Stalinists. An analogy: man is also dependent on his biological constitution, but it does not follow that it is to be more highly valued than his humanness. In both cases there is a dependence of qualitatively higher levels of reality on qualitatively lower levels of reality.

For Marx the humanness of productive and other relations among people was the criterion of social progress. ...

The Stalinist oligarchy inverts the relationship between technical progress and general social progress. From the necessary condition for achieving global social progress, the Stalinist oligarchy transforms the development of the forces of production into the basic measure of socialism. This fetishization and absolutization of the forces of production are the specific manifestations of the phenomenon of reification.⁵⁹

Soviet dogmatic Marxism, in other words, has been reified into the ideology of scientific-technical revolution.

The most extreme form of dogmatic Marxism is economism. In Yugoslavia, this took the form of support for classical liberalism.⁶⁰ If socialism depends on the development of the base, then socialism must unfetter commodity relations. This most economic determinist form of Marxism advocated anarcho-liberal, decentralized self-management.

According to Stojanović and Marković, the principal

⁵⁹ Stojanović, Between Ideals and Reality, pp. 11-12.

⁶⁰ Marković, From Affluence to Praxis, p.111.

flaw of the Yugoslav system is a consequence of the coexistence of two mutually incompatible systems. On one side are the organs of self-management, and on the other the classical organs of hierarchical power - state, party and management. The extension of self-management organs up to the global level, creating an integral system, would effectively negate the state. This is why the state has blocked their development. The prevalent anarcho-liberal notion, which holds that self-government is merely decentralization, has likewise helped to block this integral motion. Together, though they see themselves as opponents, statist and liberals jointly block the realization of social self-government in Yugoslavia.⁶¹

Group particularism and statism are mutually complementary antitheses, both opposed to the establishment of social self-government.⁶² The fragmentation of group property enhances the power of the state as a necessary unifying and equalizing force. The notion of social self-government, misconceived as anarchy, actually strengthens the statist tendency in Yugoslav political life.⁶³

Mihailo Marković is a Hegelo-Marxist in the tradition of Gramsci, Lukács and the Frankfurt School. For him dialectic is both epistemological and ontological, involving

61 Ibid., p.235.

62 Stojanović, Between Ideals and Reality, pp. 123-25.

63 Ibid., p.119.

the critical transcendence of both social conditions and social theory.⁶⁴ Human nature consists of potentialities which may be realized, given an historic project for their realization. Following Hegel's logic, Marković defines this mediation with respect to Lukács's notion of objective possibility, or in Marković's words, historic possibility.⁶⁵ The essence of man is the project, or the future-oriented totality of relations, that exists implicitly in present historic relations:⁶⁶

It is of essential importance to make a distinction between what man appears to be and what he is able to be, between the actuality and potentiality of the human being. A social philosophy which fails to make this distinction, which assumes that man is what prevails in his actual existence is condemned to end as an ultimate ideological justification of the existing order.⁶⁷

Man's implicitly universal nature exists in

the ability to distinguish between what he actually is and what he potentially could be.⁶⁸

Man can determine his own destiny by actively positing a project:

without any project for changing global society, the future would be the outcome

64 Marković, From Affluence to Praxis, pp. 29-33.

65 Ibid., pp. 82-3.

66 Ibid., p.11.

67 Ibid., p.12.

68 Ibid., p.14.

of the struggle of blind alienated
social forces.⁶⁹

For the project to be a true possible future, it must be
"mediated by a criticism of the given social reality".⁷⁰

Dialectic is the critical science of penetrating a given
totality to discover the new totality implicit in the
relations which constitute the given's essential internal
limit.⁷¹ The critique of the present depends upon a cons-
ciousness of what the future ought to be.⁷² A truly scienti-
fic orientation is revolutionary. It both finds and
actively determines this ought in the internal negation of
the given.⁷³ The essential internal limit of contemporary
socialist societies is the bureaucratic monopoly of politi-
cal life.⁷⁴

From his study of Hegel, Marx developed the notion that
man is estranged from his essence because the totality of
his social labour, the activity by which he determines
himself as a social being, is estranged. Marković accepts
Marx's assessment that Hegel's transcendence of alienation
was the abstraction of self-consciousness achieving satis-

69 *ibid.*, p.210.

70 *Ibid.*, p.212.

71 *Ibid.*, p.xi.

72 *Ibid.*, p.5.

73 *Ibid.*, p.191 & p.214.

74 *Ibid.*, p.233.

faction in another self-consciousness.⁷⁵ This may be so for the Phenomenology, if one ignores the final paragraphs in which the universal individual is concretely affirmed in the internalizations and externalizations of the scientific division of labour. It is certainly not true for the Philosophy of History, wherein affirmation is concretely historical. Nor is it true for the Philosophy of Right, wherein affirmation has a quite definite organic life, particularly in the communities of those who work with their minds, e.g. professionals. By concentrating only on this popular misinterpretation of the Phenomenology, Marković perpetuates Marx's misrepresentation of Hegel. This traditional Marxist metacritique of Hegel, 'the abstract idealist standing on his head', betrays its own non-mediated notion of the concrete. Marković characterizes Hegel's universal as an immediate unity of individual and universal, existing in thought only.⁷⁶

Marković saw the need for a human project to be mediated by criticism of the given. But he appears to have been prevented by Marx's negative assessment of Hegel from seeing the role of a dialectical political system in the critical determination of the project itself. According to Marković, the significance of Hegel's political theory is fictitious; it only fictitiously transcends the alienation

75 Ibid., p.124.

76 Ibid., p.133.

of bourgeois society.⁷⁷ But Hegel's state is not simply an alienated universal, wherein civil society and the state are bound by the formal mediation of the bureaucracy. Hegel's corporate mediation is both organic and concrete and may be adapted to develop a 'middle term' for an integral self-governing socialist society.

Hegel's political writings have been taboo for all, including humanist Marxists, because Marx pronounced against them in an early manuscript dealing with a few of the paragraphs of Hegel's Philosophy of Right. This very fragmentary and immature essay only begins at paragraph 261 and proceeds up to the section on the administration. The most interesting and profound section for a Marxist, that dealing with civil society and the 'system of needs' and Corporations, is not touched. Nor does Marx deal with the part on alienation in the section on abstract right.

This occlusion of Hegel allowed Marxism to view socialism unreflectively as an immediate ethical community. The social individual relates directly to species-being. The practice of self-management, on the one hand, implicitly accepted the concrete Hegelian notion of the actualization of the individual in particular organic communities. But on the other hand, the theory of self-management held to an immediate notion of the concrete, and these small communities were viewed as the true human totality. To be really

⁷⁷ Ibid., p.133.

concrete, they must, as Stojanović argued, be moments of an integral self-governing community.⁷⁸

The role of the division of labour in human self-actualization has been generally misunderstood by Marxists. The source of estrangement is not the division of labour, but the conditions in which this division finds itself. Concrete universal freedom is actualized in specific and limited determinations and objectifications. The freedom of liberal democracy is abstract because it lacks a content, an internal dimension of democracy within fundamental social groups.⁷⁹ Socialist self-management develops this internal, substantial dimension of democracy. According to Stojanović, man realizes his universal nature through participation in particular self-governing communities.⁸⁰ But the commune notion of socialism, which limits self-determination to direct democratic mediation, greatly limits universality.

Both Marković and Stojanović criticized direct democracy for contributing to an anarcho-liberal notion of self-government as simple decentralization:

socialist democracy cannot exclude mediation and centralization. But the character of such mediation and centralization must be essentially transformed: All the higher organs of social self-government must grow organically out of the basic forms of the

78 Stojanović, Between Ideals and Reality, p.102.

79 Ibid., p.102.

80 Ibid., p.98.

people's self-rule.⁸¹

This idea is acknowledged, but it is still not developed into a concrete notion of self-government which challenges simple delegate representation.

From an analysis of Marx's statements on human self-determination, Marković developed the notion of praxis as mutually self-affirmative, project-oriented activity.⁸² With a non-mediated notion of the concrete, the division of labour is posited as an essential obstacle to this self-determination. One wonders how labour can be both self-affirmative and at the same time satisfy the needs of others without a division of labour. Marković goes so far as to posit de-alienation, and the universalization of praxis, in terms of deprofessionalization.

Marković, and the current system of associational self-management which developed out of this general critique, identified political alienation with professional politics.⁸³ The deprofessionalization of political life, in practice, has meant the occluded domination of those who are really running things. Marković notes that a self-governing system is predicated on a very high level of culture and cultured free-time activity.⁸⁴ But how does this development

81 Ibid., pp. 98-99.

82 Marković, From Affluence to Praxis, p.65.

83 Ibid., p.234.

84 Ibid., 206.

occur, if not through professional labour? It is precisely this labour that generates the objective possibility for universal human liberation, both on the external side of the negation of material scarcity and also on the internal side of the actualization of one's potentialities.

Marković believes that self-determination will be generalized in postindustrial society, if the generalized freedom from work is devoted to developing our capacities for political praxis.⁸⁵ This is true; but it is equally untrue when self-determination is posited as part of a generalized deprofessionalization. This approach posits the destruction of the internal side of the dialectic and thus eliminates the organic basis of truly human community. The objective development of our subjective capacities in professional communities is the real source of the universal advance of the material forces of production. Concrete human community has a definite organic life in the self-affirmative act of directing and concentrating one's personal development in community with others. Deprofessionalization substitutes for this development the merely formal democratic notion of representational rotation. Marković wrote that the mediation of consent into the laws of self-governing socialism "could and should have the characteristics of Hegel's concrete universal".⁸⁶ But his own formal-legal

⁸⁵ Ibid., p.231.

⁸⁶ Ibid., p.242.

conception of the concrete issues in the abstraction of another species of democratic representation.

Svetozar Stojanović shares with Marković a disdain for anarcho-liberalism and a sense that Hegel may help to fill the ethical vacuity of traditional Marxism. His book Between Ideals and Reality makes a unique departure, however, when it explicitly associates political questions with those of ethical life. For Stojanović, the formation of democratic representation is most effectively understood when related, as Hegel's Philosophy of Right would suggest, to the ethical dimension of socialist self-government.

Most previous ethical systems displaced the universal to another world, while absolutizing a particular in this. According to Stojanović, Marxism's universal humanistic perspective makes it potentially the first non-ideological ethical system.⁸⁷ This ethicality is scientifically based on concrete historic development. The historical experience of the workers' movement has shown self-management to be an implicit need of the self-determined producers. The Bolsheviks caught the essence of this motion with their slogan: "All Power to the Soviets".⁸⁸

Marxism is critical activity, but it is also embodied in organizational practices. Stojanović believes that this

⁸⁷ Svetozar Stojanović, Between Ideals and Reality (New York: Oxford University Press), p.26.

⁸⁸ Ibid., p.77.

internal positivity imposes a limit on self-critical activity, which intensifies with the acquisition of power. In such cases, this positivity has undermined the true self-critical and scientific character of Marxism to transform it into an ideology which justifies the programmatic decisions made by the Party leadership.⁸⁹ Criticism emanates from above, with the lower rungs elaborating the new line. The more radical the criticism, the more closely it is bound to the leading personalities in the Party.⁹⁰ Criticism thus becomes a hierarchical principle, and the truthfulness of an idea depends on the hierarchical position of the person who expresses it.⁹¹ The fusion of the party with the state tends to transform state socialism into statism. Marxism then becomes an ideology, whose primary purpose is to mask the state as the dominant interest. Meanwhile, the continual economic crises of statism transform it into a technocratic form of rule.

Stojanović wrote his book as a critique of Stalinism in particular and more generally of a malaise common to all socialist thought: that is, "the statist myth of socialism", or what he called the "most influential ideological myth of the twentieth century".⁹² According to Stojanović, the

89 Ibid., pp.7-8.

90 Ibid., p.112.

91 Ibid., p.87.

92 Ibid., p.5.

degeneration of the Bolshevik Revolution brought in a new class system, statism, which cast a "socialist" ideological veil over itself, comparable to the veil cast over capitalism when ideologues characterize its relations as democratic. His statist class includes the state apparatus as a whole; and its members exploit the producers in proportion to their position in the hierarchy.⁹³ In the statist system the direction of determination is the direct opposite of what prevails in capitalism. Economic power derives from the political.⁹⁴

The primary myth of statist socialism is that the dialectic grinds to a halt with the realization of socialism.⁹⁵ Not only are there no conflicting relations, but conflicting opinion also has no legitimacy. In reality, however, the essential characteristic of Marxism is critique - critique of itself and of all existing conditions. This is the dialectic which, as it accepts the given, denies and transforms it. When the statistes stopped this motion, argues Stojanovic, they killed Marxism.⁹⁶

The unidimensional absolutization of politics, and the consequent rule of a politocracy, is one side of dogmatic Marxism. The absolutization of the economic-technocratic

93 Ibid., pp. 37 & 46.

94 Ibid., p.47.

95 Ibid., pp. 9-10.

96 Ibid., pp. 14-15.

sphere is its other abstraction, one projected by the technocracy. Humanist Marxism must stand against these ideologies by situating itself solely on the ground of humanist values. Otherwise it will be an apologia for either or both of these two main ideological tendencies of post-capitalist society. It must strive for a true totality which can only be that of man himself.⁹⁷

Stojanović views authentic socialist self-management as a concrete universal from the base upwards.⁹⁸ Its true development may be most directly seen on its internal, self-motivational side. Citing Hegel, Stojanovic writes that without this internal dimension, democracy "hangs in the air".⁹⁹ Mediation must proceed in two directions. The critical judgement of the concrete truth, of the system as a whole, can only be made with respect to those interests that spontaneously arise from the bottom up. Following Hegel's concept of need, Stojanović concluded that only an integral system of self-management could determine true social needs, i.e. our true human essence.¹⁰⁰ These needs develop through education, particularly education that develops participa-

97 Ibid., p.13.

98 Ibid., p.80.

99 Ibid., 102.

Hegel, Philosophy of Right, R303.

100 Ibid., p.100.

tive, self-governing habits.101

Stojanović develops a phenomenology of three character types created by the workers' movement: the revolutionary-collectivist, the anarcho-liberal, and the democratic-socialist.102 He explains that statist ideology took the ethical precepts of a militant, who has committed himself to the struggle for socialism, and endeavoured to translate them into general social mores. The self-denial and obedience often demanded of the militant were now demanded of the society as a whole. The same value, in this new context, has a quite different meaning. The militant is knowledgeable, highly motivated, and freely undertakes this discipline as a means to goals that he strongly accepts. The same demands, when imposed upon the whole population, are manipulative, authoritarian, and a means for masking dominant and exploitative relations.103

In the late 1940's and early to mid-1950's, when the need for self-sacrifice was as obvious as the immediate need for construction and reconstruction, the simple ethics of revolutionary collectivism bound Yugoslavia to a single project. As the urgency of the moment passed and enthusiasm waned, this one-sided ethical principle tended to pass over into its opposite. An anarcho-liberal consciousness grew

101 Ibid., p.101 & p.133.

102 Ibid., pp.157-58.

103 Ibid., p.160.

along with the concern for personal consumption and personal rights. The new system of self-management and self-government was interpreted from the perspective of narrow individual or group selfishness. Unable to posit a new ethical system of integral social self-management, Yugoslav ethical life swung between the extremes of authoritarian, hierarchical and conformist statist ethical life to anarcho-liberalism with, as Hegel wrote of liberalism, its "one-sided fixation upon rights ... to the neglect of obligations to society as a whole".¹⁰⁴ In such conditions the individual can only exist as an abstract citizen, and the general interest is estranged into state power. Stojanović believes that revolutionary collectivism and anarcho-liberalism may be negated into a concrete ethical totality actualized in concrete personality.¹⁰⁵

Stojanović advocated transcending revolutionary collectivism by way of socialist personalism, or by the socialization of personality and the personalization of socialism. He called such an individual a "concrete citizen".

The democratic-socialist personality type ... consciously strives to satisfy group and personal interests as well as general interests. But he proceeds from the fact that the social interest in socialism can be guaranteed only through the democratic unification of individual and group interests, and not through submerging them in the social collective.

Bridging the abyss between the "egoistic in-

104 Ibid., pp.132-33.

105 Ibid., p.172.

dividual" and the "abstract citizen" is possible only in a system which is based upon the concrete citizen. ... socialism puts man in a position in which he can daily, actually and concretely exercise the powers of citizenship.¹⁰⁶

This dialectical transcendence affirms the revolutionary collectivist personality-type, while negating it through the affirmation of personality.¹⁰⁷ This is very reminiscent of Hegel's civil society, which begins with the notion of the "concrete person".¹⁰⁸

This thesis builds on Stojanovic's work through a development upon Hegel's notion that one is concrete as a member of a particular organic community, that is in turn an associational member of the ethical community as a whole. According to Stojanović, the empirical evaluation of the realization of an ethical universal, in this case the project for self-governing socialism, would proceed through an analysis of its actualization in the moral character of individuals.¹⁰⁹ Ethical fact is determined in the individual instance of character type. This recognition of the universal's determination in personality is a very important contribution to the empirical evaluation of self-governing socialism. A freely determined universal is self-motivated. This motivation exists most specifically in the

¹⁰⁶ Ibid., p.166.

¹⁰⁷ Ibid., p.172.

¹⁰⁸ Hegel, Philosophy of Right, P182.

¹⁰⁹ Ibid., p.156.

individual. This thesis further develops this empirical approach with a development upon Hegel's notion of "heart".

5. Conclusion

Despite his critical accomplishments, Stojanović did not succeed in establishing what he considered to be a fundamental ethical criterion for Marxism.¹¹⁰ He and Marković, however, demonstrate the kinds of ethical concerns which must be addressed by a political philosophy committed to human self-determination. The position that I shall take in this thesis is that it is precisely this fundamental commitment to self-determination, as a concrete universal concept, which constitutes the ethical core in both the Hegelian and Marxist conceptions of man. It is the dynamic underlying history's positive development from animal existence to truly human existence. Man's progress is self-determined when his activity is self-controlled and self-affirmative. Man transcends his natural, animal condition first on the side of reification. The objective world is the product of his own activity, but is reified in that he does not concretely recognize its true substance as his own self-conscious activity.

Hegel and Marx differ on the question of the relation of man to his self-created social and human world. Hegel sees this objectification as the expression of freedom in the form of the concrete ethical state. Marx sees this

¹¹⁰ Ibid., p.154.

refracted objective world as the objective possibility of freedom, imprisoned by the very social relations that made it possible. Man, in escaping from nature, becomes imprisoned by his own creations because the social relations of this act of creation, at the point of production, are reified. Relations between people, viewed as objects, are inherent in the commodity form of production.¹¹¹ This reification is to be transcended through planning by the directly associated producers:

The life-process of society, which is based on the process of material production, does not strip off its mystical veil until it is treated as production by freely associated men, and is consciously regulated by them in accordance with a settled plan.¹¹²

But where is the political theory to explain how the producers develop relations directly between each other and plan the production process? Also, would the planned technical control of production contribute to the liberation of man, or merely establish a new, technocratic, ruling class? Marxism may begin to overcome its degeneration into a statist ideology through the development of a theory for the political articulation of substantive social relations into a concrete universal ethical community.

Yugoslavia currently is experiencing a crisis within the project of self-management itself. The strongest

¹¹¹ Karl Marx, Capital Volume 1 (New York: International Publishers, 1967), p. 73.

¹¹² Ibid., p. 80.

indication of crisis is that Yugoslav political literature typically posits the normative project as if it were reality. There is a crisis of the mediation of the implicit relations of Yugoslav society with the explicit political-institutional relations of the self-management system. In the formal system of relations, associations are self-governed. In actuality, real power is exercised through hierarchical structures. The self-conscious mediation of social relations is conceived on the direct democratic, delegate system of the Paris Commune. In reality, power is mediated through relations outside the delegate system in the League and in territorial administrations.

The Yugoslav system of associational self-government is markedly similar to the system of Corporate mediation outlined in Hegel's Philosophy of Right, and yet it has quite dramatically failed to achieve the explicit and self-conscious mediation of particular substantial communities into an integral self-governing totality. The reason for this failure is not poor conditions and lack of participation, but a mistaken notion of self-determination. The self-management project has defined the withering away of the state and the realization of universal human community as the universalization of immediate relations.

As in Hegel's political system, delegates explicitly represent substantive communities up to the universal level of socio-political life. But following the principles of

direct democracy and face-to-face relations, the Yugoslavs took explicit representation to mean the direct and immediate representation of interests which are self-determined to the extent that they maintain their particularity. Universality was identified with the abstraction and estrangement of state societies. Self-determination for the Yugoslavs came to mean the self-determination of particular communities against the universal community.

The Yugoslavs established the forms of mediation into concrete universality, but the ethical content of these forms is a project to negate all mediation because mediation is believed to be the source of estrangement. According to Hegel and Marx individuals and particular communities are truly and freely self-determined only as universal beings. The universal community ceases to be an estranged and external force to the extent that universality is actualized in the substance of self-consciousness both in the system of social reproduction and in the universality of educational self-development.

In the current self-management system, those in professional and managerial positions dominate decisions on organization, orientation and production. The internal market, operating within complex work organizations, has decomposed them into independent enterprises. This cleavage in the division of labour, combined with profit-oriented production in conditions of high unemployment and economic

uncertainty, transforms the technostructure into the enterprise entrepreneur, with the rest of the work force becoming its paid employees.

Professional workers dominate the organs of associated labour. Their real interest in managing work comes both from their developed capacity for disciplined self-direction and from their work's intrinsically self-affirmative dimensions. Will there be an ideological fusion of the bureaucracy and the technocracy into a technobureaucratic ruling class in the republican-level state; or will this new producer lead the whole of Yugoslavia to conditions wherein everyone is affirmed in his social activity? The question of the realization of self-governing socialism in Yugoslavia depends ultimately on the development of a critical self-consciousness on the part of professional workers. Professionalism, as a specialized, instrumental discourse, separate from the ethical question of universal self-determination, can only result in the guild-like solidarity of a privileged and dominant caste.

Professional workers can be either a domineering class or a liberating class. A progressive social class acts in the interest of the whole of society to expand its capacities for self-determination as the development of the creative capacities of individuals and as the enhancement of the society's global capacities for self-comprehension. The new producer's own collective advancement depends on the

development of individual capacities, and this occurs generally in an environment of the increasing self-conscious capacities of the population as a whole, through the growth of mass educational institutions. Professional workers hold a special kind of cultural "property" that, unlike capital, is not activated by estranged labour, but by affirmative labour. This labour is directly personal, necessarily associational as part of a particular discourse community, and universal as the activation and development of knowledge. This human property is accumulated by the individual through direct personal labour in the organic environment of an academic or professional community. The universal acquired by this labour is not an estranged external form, but the human universal of past human labour and thought. But this is also the labour of a privileged stratum, in privileged communities. Development into true universality depends upon this labour of incremental cultural growth, or Bildung, actualizing itself in universal self-consciousness through an experience of "historical epochē". This world-historic experience should bring a substantive self-consciousness of the inherent limitations in the instrumental activities of professional work. As a result of their own self-conscious activity, the new, or educated, producers can free themselves by coming to a Reason which has human freedom as its content.

Concrete Freedom

1. Introduction

Husserl's phenomenology had an underground influence on critical Marxism's appropriation of Hegel's philosophy.¹ The assimilation of Hegel's system by way of philosophies which were influenced by phenomenology helped to counter Marxism's degeneration into ideology. At the same time, however, Marxism's foundation in Hegel's negation of critical philosophy's radical individualism was forgotten. Critical Marxism thus established itself on the continuity, broken by Hegel and Marx, of fundamentally epistemological philosophies.

Critical Marxists maintain their orthodoxy is a return to Hegel, and thus to Marx's own roots, but this return by way of phenomenology was an occlusion and repression of Hegel's mature system. Because Husserl's philosophy and subsequent responses to it were a critical return to Hume's skepticism and Kant's transcendental subjectivity, only that part of Hegel's system which was acceptable to these philosophies was recovered. Critical Marxism was only interested in the Hegel of the Phenomenology. The master-servant dialectic was seen as the most important aspect of Hegel's theory. This approach derived mainly from the

¹ Enzo Paci, The Function of the Sciences and the Meaning of Man, Paul Piccone & James Hansen eds. Evanston: Northwestern University Press, 1972, passim.

influence of Kojève.² But Kojève's analysis of Hegel was not Hegelian. Rather, it was the establishment of a new philosophy which would be developed further by Sartre.

Critical Marxism recovered Hegel's contribution only to bypass it and re-establish Marxism as a critical development out of the philosophical tradition of Descartes, Hume and Kant. Hegel's critique of Kant was occluded. More specifically, the concrete universal and the dialectical political system of Hegel's mature writings were brushed aside. But Hegel's negation of this tradition is essential to the realization of concrete freedom. As the negation of the philosophical expression of bourgeois individualism, it was the beginning of a truly social and concrete notion of man.

Only a portion of Hegel's work can be incorporated into an approach which misunderstands the concrete universal by omitting the moment of organic particularity. This approach derives from Marx's own flattened, or two dimensional, concept of the concrete. Whereas Marx saw true universality realized in the elimination of all particularity, Hegel argues that universal freedom cannot obtain a real life without organic particularity.

But whereas Marx erred in his one-sided emphasis upon the motion of objective, material forces, these critical Marxists erred by returning to the merely subjective

² Alexandre Kojève, Introduction to the Reading of Hegel, James Nichols trans., Ithaca: Cornell U.P., 1969.

totality that Hegel had criticized. One of critical Marxism's most serious misunderstandings of the nature of the concrete is related to Marx's analysis of objectification. When Marx's analysis is read from the viewpoint of phenomenology, the result is to give objectification a predominantly external and repressive meaning. It appears that any objectification is necessarily fetishization, whereas Marx believed that it is precisely through objectification that man is affirmed. Marx and Hegel alike thought that the universality of capitalist objectification is the implicit basis for universal human freedom. If objectification is necessarily fetishization, how is freedom in real life possible? The point here is not to repudiate objectification, but to bring the objectifications of our subjective capacities into a dialectical system that affirms and develops our humanity. Critical Marxism, in assimilating phenomenology, saw that this return to self is dependent upon a critique that uncovers the subjective bases of objectification. The positive aspects of this approach, however, can only be further developed by returning to the question of Hegel's concrete universal.

2. Concrete Freedom

According to Hegel, philosophy is an inherently self-critical, self-reflective, hence self-conscious, science.³

³ G.W.F. Hegel. Hegel's Logic, William Wallace trans. (Oxford: Clarendon Press, 1975), p.3.

The underlying interest of Hegel's philosophy is freedom, or self-determination, as inspired by his youthful experience of the French Revolution. The purpose of science is to realize this interest in freedom through the self-conscious mediation of experience.⁴ The reconciliation of self-conscious reason with actuality proceeds through the transcendence of historic experiences wherein freedom is actualized under the guise of necessity. This thesis argues that, with the inversion into the concrete, the self-conscious comprehension of the totality of relations begins to determine necessity as the activity of free self-consciousness. For Hegel, freedom began to become necessary with the Lutheran Reformation. Whereas freedom among the Greeks stood "merely aloof, in a world of its own", Lutheranism

at once turned its energies also upon the apparently illimitable material of the phenomenal world.⁵

Hegel understood idealism to mean a self-conscious awareness that knowledge is not of an external objective world but of an object which is man's own production.⁶ The sciences of the "Understanding", which view objectivity as independent of human consciousness, unreflectively accept the ontology of classical metaphysics:

both proceed from data or assumptions, which

4 Ibid., P6.

5 Ibid., P7.

6 Ibid., P19.

they accept as ultimate ... So long as this sensible sphere is and continues to be for Empiricism a mere datum, we have a doctrine of bondage: for we become free, when we are confronted by no absolutely alien world, but depend upon a fact which we ourselves are.⁷

This ontology is the ideological root of the positive social sciences and of Marxism to the extent that it expresses such positivism.

This thesis, following Hegel, posits freedom as self-determination. External determination is transcended in a community wherein internally developed universal self-consciousness is concretely recognized by a social system for the actualization of human potential. Hegel's philosophy is fundamentally humanist.⁸ Our most human characteristic is reason. Hence the highest freedom is the activity of mind for itself. The development of our potential for reason and the development of freedom are one and the same historic process. In a free society the self-development of mind is the premise, result and measure of the value of all human activity.

Hegel's freedom is that of Geist, or Spirit. Spirit is not limited to man, but neither does it lead a disembodied existence.⁹ Hegel's Spirit, or absolute subject, is necessa-

7 Ibid., R38.

8 Quentin Lauer, Essays in Hegelian Dialectic (New York: Fordham U.P., 1977). p.2.

9 Charles Taylor, Hegel and Modern Society (Cambridge U.P., 1979), p.101.

rily embodied in living human being and is self-developed in an historic process of self-mediation. Freedom, as self-determination in its purest form as Idea, is the absolute negation of contingency. Spirit is the absolute positing of rational necessity. Its self-embodiment is the concrete historical process of the development of human freedom.

Freedom, as Reason for itself, may appear today to be a highly abstract principle, but in Hegel's time this idea was actually present in the historic experience of the French Revolution. Hegel's Spirit is a development out of the absolute freedom of this revolution through the negation of its philosophic expression in German idealism. Concrete freedom was his answer to the failure of the Enlightenment and the French Revolution, as the formative experiences of this historic epoch. Hegel's critique, from this perspective, exposes the abstraction of both capitalist and statist societies.

This period had discovered the principle of self-conscious freedom. But by reducing the self to the individual, and truth to individually affirmed sense perception, self-consciousness had been severed from being and from the Absolute. Spirit, the unity of self-consciousness and being, was broken apart. The dominant philosophy, popularized by Kant especially, was that the truth, the Absolute,

simply could not be known.¹⁰ Knowledge and self-consciousness are necessarily estranged from being and the truth. Hence man is necessarily self-estranged, and his social being is an external order beyond rational self-direction. Freedom was conceived as mere choice in a world governed ultimately by contingency.¹¹

Free will is truly free when it makes itself its own content. Choice is then truly free because it is internally determined and does not involve a contingent choice between the options of an externally determined existence.¹² Freedom and necessity are not antinomies. Freedom, as self-determination, is necessary. The necessity of something is what it is through its self, its self-determination, or what it is according to its essence. Because our human essence is rational self-consciousness, we are free as we rationally and self-consciously determine our necessity, which includes rational determination of the system of needs. Freedom is concretized through an historic process of Bildung in which we develop our need, and hence capacity, for self-conscious knowledge which, as concrete, affirms itself in our objectifications and also in particular organic communities for individual self-development.

¹⁰ G.W.F. Hegel, Hegel's Lectures on the History of Philosophy (New Jersey: Humanities Press, 1896), pp. 504-5.

¹¹ Hegel, Hegel's Logic, R145.

¹² *Ibid.*, R147.

As the French Revolution was the expression of Rousseauan freedom in actuality, German Idealism was its expression in thought. Kant's practical reason is based on Rousseau's conclusion that:

the will is absolutely free ... The will determines itself within itself; all that is right and moral rests on freedom; in this man has his absolute self-consciousness. ... The satisfying part in Kant's philosophy is that truth is at least set within the heart; and hence I acknowledge that, and that alone, which is in conformity with my determined nature.¹³

But Kant established the principle of self-determination on the subjective side only, as an "ought" which is permanently estranged from objective universality. Kant's universal was merely a moral obligation, based on the individual's subjective agreement with the universal. His universal lacked a content through which to determine itself as necessary.¹⁴

Kant agreed with Hume that we can never know the object, only phenomena. The 'object', then, is not entirely estranged from the subject but is a priori constituted by the subject. Objective knowledge is constituted by subjectivity in a transcendental unity of apperception. Kant had discovered the true subjective basis of knowledge, but he was unable to complete the critique of metaphysics by grasping the unity of cause and effect. Though Kant had

¹³ Hegel, Hegel's Lectures on the History of Philosophy, pp. 457-58.

¹⁴ *Ibid.*, p.460.

realized that the subject is implicit in the object, his dualistic world view prevented him from further developing this internal relation. Hegel wrote that while Kant led "reality back to self-consciousness", he could "supply no reality to this essence of self-consciousness".¹⁵ Kant discovered the inner subjective side of freedom, but in order to be concrete this subjectivity must be mediated with objective right as moments of a concrete totality.

Hegel broke with epistemology, and the estrangement of the subjective and objective which it presupposes, by rejecting the idea that knowledge begins from individual experience.¹⁶ Self-consciousness does not begin with the perception of an object. The rational comprehension of self, as a free self-conscious being, begins within the intersubjective community of free self-conscious beings.¹⁷ The apprehension of truth is dependent upon a community of free discourse. Hence the historical development of knowledge and of free universal self-consciousness are inextricably bound to the historical development of free communities. Spirit is most concretely embodied in a free people which governs itself in an open and democratic manner according to concrete principles of right, that is, according to universals that have an objective human reality in

15 Ibid., p.426.

16 Lauer, Essays in Hegelian Dialectic, p.24.

17 Ibid., pp.52-53.

the actualized capacities of individuals and particular communities.

Whereas Kant and others begin with the I,

Hegel discovers the true beginnings of spirit in mutual recognition, ...18

True universality is not established through transcendental subjectivity or an absolute ego, or method, or logic, but in a human community of free self-conscious recognition. True freedom, and true knowledge, are realized in my identity with the other:

I am only truly free when the other is also free and is recognized by me as free.19

For Hegel the quest for Absolute knowledge is an historic project for the construction of human community as a free ethical totality.20 In this epoch the development of mind has been restricted by an Understanding which tries to comprehend the infinite, true freedom, in terms of the finite and sees the objective as an estranged externality. Hegel hoped to bring us to a consciousness of Reason, of mind that reproduces itself in reality. This is not merely a question of knowledge, but of Spirit 'adopting seven league boots' and revolutionizing society by making the

18 Lewis P. Hinchman, Hegel's Critique of the Enlightenment (Tampa: University of Florida Press, 1984), p.65.

19 G.W.F. Hegel, Philosophy of Mind (Oxford: Clarendon Press, 1971), Zusatz 431.

20 Hinchman, Hegel's Critique of the Enlightenment, p.98.

principles of rational self-government a reality.²¹

To become concrete, the inner development of Spirit must actualize itself in a dialectical political system wherein objectifications turn in a circle of necessity of human affirmation. Reason must unite the subjective realm of freedom and the objective infinite.²² Hegel found the limit of freedom in the estrangement of objectifications from subjectivity. Freedom is concrete, and true to itself as unlimited, when the various limited objectifications are not restrictions but determinations of free universal self-consciousness as a self-reproducing totality.

In Hegel's concrete universal, necessity is overturned (as contingency) and inverted into the internal necessity of universal self-consciousness.

It then appears that the members, linked to one another, are not really foreign to each other, but only elements of one whole, each of them, in its connection with the other, being, as it were, at home, and combining with itself. In this way necessity is transformed into freedom - not the freedom that consists in abstract negation, but freedom concrete and positive.²³

The truth of human necessity is freedom. Concretely existing freedom is internally determined as necessary.²⁴

²¹ Hegel, Hegel's Lectures on the History of Philosophy, pp. 547-553.

²² G.W.F. Hegel, The Difference Between Fichte's and Schelling's System of Philosophy (Albany: State University of New York Press, 1977), p.96.

²³ Hegel, Hegel's Logic, R158.

²⁴ Ibid., P158.

In this freedom many choices disappear, not through external coercion, but through an educated motivation that would not choose to lie, cheat, kill, exploit, pollute, repress, dominate, etc. Concrete freedom is the activity of making necessary, or of explicitly creating the conditions for, universal humanist ethicality, of making human freedom the truth behind social relations.

Hegel's most empirically oriented concept is heart. Heart is the internal substantive side of Spirit.²⁵ A concrete universal is self-mediated, the self-formation of content. Heart is essential subject as substance. The development of this substantive subject proceeded at a 'snail's pace' until freedom stepped into world history with Luther's Reformation and later with the French Revolution.²⁶ Hegel's substantial development of Spirit is a paradigm for the explanation of social revolution.

It eats away the inward substance, but the appearance, the outward form, still remains; at the end, however, it is an empty shell, the new form breaks forth.²⁷

With the French Revolution the new form was that of freedom absolutely for itself:

Freedom becomes the condition of the world, connects itself with the world's history and forms epochs in the same; it is the

²⁵ G.W.F. Hegel, The Philosophy of History (New York: Dover Publications, 1956), pp. 341-43.

²⁶ Hegel, Lectures on the History of Philosophy, p.158.

²⁷ Ibid.

concrete freedom of spirit, a concrete universality...28

Hegel tells us that this revolution developed "a universal concrete view of all that exists ... from the heart".29 However, the content of this heart was an abstraction, the identification of the universal with individual conviction. Hegel counterposed a concrete, self-mediated, organic concept of freedom, but this was abstractly formulated as a constitutional system set upon existing social relations. Thus Hegel only partially formulated the substantive basis of the motion to concrete ethicality. Self-management's focus on the substantiality of social relations gives part of the answer to the question of what is the subjective basis of the immanent development of concrete ethicality in this epoch.

Hegel's famous cunning (or instinct) of Reason is an historically mediated human sense which culminates in a concrete ethical order.30 The immanent development of self-consciousness to concrete universality is a process of historic mediation as the acquisition of culture and education, or Bildung. This development occurs immediately in the individual subject.31 In a concrete ethical totali-

28 Ibid., p.385.

29 Ibid., p.386.

30 Ibid., p.473.

31 Ibid., p.421.

ty, universal ethicality is expressed immediately in the individual. Hegel called such a universal individual an "intellectus archetypus".³² Thus, while a concrete ethical totality is differentiated into, and mediated through, particularity in its richness of human development, it is also internally bound directly to the individual. There is a universal substantial relation directly between the individual and the universal which mediates particular interests, through individual participants, to true universality. In fact, mediation cannot exist without this immediate substantive self-conscious relation.³³

This substantive ethicality is intellectually developed heart. Can professional workers be this "intellectus archetypus", and what internal limitations to universality do they face? Their principal problem is that they have not yet attained to Reason, in Hegel's sense, but hold to the estranged, instrumental rationality of the Understanding. Even so, they have an internal dimension of affirmation in education and culture, and a desire to control the conditions and results of their work, both of which give their social existence 'heart', or internal subjective universality. This may develop to true universal ethicality given a world-historical experience of epochē like the Reformation, the Enlightenment or the French Revolution.

32 Ibid., p.473.

33 Hegel, Hegel's Logic, P12.

3. Historical Epochē and the Dialectic of Recognition

Though Hegel never used the word epochē, the concept is essential to his philosophy.³⁴ The master-servant dialectic is Hegel's paradigm for epochē - the experience which suspends all preconceptions and takes one to absolute universality. For Hegel, as distinct from phenomenologists, such experience cannot be individual. It is a world-historic experience through which the universal substance of self-consciousness enters our essential being. The incremental, substantial development of Spirit is a dialectic of labour for recognition. The same principle appears in Hegel's civil society, in which universality is implicit in the labour process of the system of needs.

Epochē is a total experience of the internalization of negativity, a moment when the existing universal becomes quite visibly problematic. It is a revolutionary transformation of consciousness immanent in self-conscious substance. It is the Absolute becoming our human substance, an epochal development of our social being as a free human community. Thus epochē defines, in self-consciousness, the transition from one socio-economic formation to another. The late 1960's and early 1970's may be understood as the epochē that begins the establishment of the ethicality of post-industrial society. The experience was a combination of factors: the actualization of enlightenment in the

³⁴ Lauer, Essays in Hegelian Dialectic, p.57.

fantastic growth of mass educational institutions; the revulsion over advanced technological war; the self-consciousness that our societies can no longer progress on the basis of ecological destruction; and the realization that relations between men and women in the family have changed forever. These, and other experiences, combined to define a project which coming generations will labour to realize.

If the members of particular associations internalize this experience of epochē, then their associational processes of self-formation may bring them voluntarily to actualize this new universality in their particular practices. Hegel did not develop such a notion, but it may be developed from a reading and critique of his philosophy.

Hegel wrote that thought must begin from the standpoint of Spinoza's reduction to absolute substance, which dissolves all preconceptions and particularity, thus bringing the individual face to face with universality:

the soul must commence by bathing in this ether of the One Substance, in which all that man has held to be true has disappeared; this negation of all that is particular, to which every philosopher must have come, is the liberation of the mind and its absolute foundation.³⁵

This Substance lacked Spirit and individuality, but Schelling brought it to life as a subjective totality of infinite form. Hegel developed this form into his Absolute.³⁶

³⁵ Hegel, Lectures on the History of Philosophy, pp. 257-8.

³⁶ Ibid., p.516.

Individual or particular communities can achieve a "reduction" to universality only as explicitly recognized moments of universality - only when they recognize themselves to be a specific modality of the Absolute. Through such recognition each individual or community

bursts through the limits imposed by its special medium, and gives rise to a wider circle. The whole of philosophy in this way resembles a circle of circles. The Idea appears in each single circle, but, at the same time, the whole Idea is constituted by the system of these peculiar phases, and each is a necessary member of the organization.³⁷

Hegel's epochē, unlike Husserl's, is not a method for the pursuit of knowledge, nor in itself a result. Hegel's phenomenology is only a beginning, a mere point of entry for his system.³⁸ By conceiving his Phenomenology to be his best or greatest work, contemporary writers greatly distort Hegel. Hegel's epochē is a world-historic experience of rupture which begins a new epoch for Spirit. Far from being the rigorous individual experience by which transcendental subjectivity finds its way to knowledge, epochē is an historic experience with universal lessons for the whole of mankind, some of which are more significant than others. The Enlightenment and French Revolution were the defining experiences of Hegel's time which, in turn, have generally defined our own epoch.

Human self-determination is an historic labour for the

37 Hegel, Hegel's Logic, P15.

38 Lauer, Essays in Hegelian Dialectic, pp. 45-6.

whole of mankind. The beginning of the section on the classification of historical data in Hegel's Philosophy of History is an allegory for the whole history of the development of our self-conscious self-determination:

Imagination has often pictured to itself the emotions of a blind man suddenly becoming possessed of sight, beholding the bright glimmering dawn, the growing light, and the flaming glory of the ascending Sun. The boundless forgetfulness of his individuality in this pure splendor, is his first feeling - utter astonishment. But when the Sun is risen, this astonishment is diminished; objects around are perceived, and from them the individual proceeds to the contemplation of his own inner being, and thereby the advance is made to the perception of the relation between the two. Then inactive contemplation is quitted for activity; by the close of the day man has erected a building constructed of his own inner Sun; and when in the evening he contemplates this, he esteems it more highly than the original external Sun. For now he stands in a conscious relation to his Spirit, and therefore a free relation. If we hold this image fast in mind, we shall find it symbolizing the course of History, the great Day's work of Spirit.

Hegel paints the history of the world as the disciplining of the natural will.³⁹ Like the rising sun, history comes out of the East. At the time when Hegel wrote, it had culminated in the modern West, with the unfolding of the French Revolution. According to Gramsci, a new day and a new history began, again in the East, with the Bolshevik Revolution.⁴⁰ Gramsci himself authored the self-transforma-

³⁹ G.W.F. Hegel, Philosophy of History (New York: Dover Publications, 1956), p.104.

⁴⁰ Antonio Gramsci, Selections From the Prison Notebooks (New York: International Publishers, 1971), p.118.

tive motion of this new Spirit from East to West by beginning the reconciliation of revolutionary socialism with the principles of self-government.

Like Eastern philosophy, Hegel begins with the unity of mind and the universe in a single substance. He then takes us on a journey, following the sunset, like the Germanic tribes which came out of prehistory to settle in Europe and cross over to America at the culmination of their development. The true historical development of self-consciousness begins in the West where mind is sundered apart. But Hegel journeys further, back to origins, to complete the circle of infinity. Hegel's infinite, like Ourboros, is a circle, a line returning into self.⁴¹ Again mind is unified but into a self-conscious concrete totality. Far above the contemplative mystical dream of the oriental world and above the mundane materialism of the Understanding, the unity of thinking and being, of man and nature, is achieved again, but as a dynamic equilibrium wherein each motion of the dialectic contains within it the negativity of a new beginning.

Hegel's science of mind is the science of how self-consciousness comprehends self-consciousness. Truth can only be apprehended as self-consciousness. Knowledge is self-knowledge which, through necessity, is consciousness and

⁴¹ Hegel, Philosophy of Right, A17.

knowledge of an other.⁴² The instinct of reason is to affirm itself, just as an animal's instinct is self-preservation.⁴³ When reason observes nature, it is looking for itself, for law-like conditions in nature. This search for self is truly fulfilled only in the recognition of another self-consciousness. It is only through intersubjectivity that subjectivity can become objective and explicit.

Self-consciousness exists in and for itself when, and by the fact that, it so exists for another; that is, it exists only in being acknowledged.⁴⁴

Only an I which is also a We can enjoy freedom and independence. Individual freedom is only possible in a free community. Individuality is meaningless without its complementary opposite, community, and is abstract to the extent that this community is abstract.

The dialectic of recognition begins as a life and death struggle between two individuals with a common desire for the transcendence of the immediacy of life.⁴⁵ Affirmation begins in the attempt to dominate, even annihilate, the other. The immediacy of life is transcended in a contest that brings them face to face with death.

When the original primal self first confronts another

42 G.W.F. Hegel, Phenomenology of Spirit (Oxford University Press, 1977), P164-P166.

43 Ibid., P258.

44 Ibid., P178.

45 Ibid., P187.

such self,

it does not see the other as an essential being,
but in the other sees its own self.⁴⁶

To obtain self-certainty, self-consciousness seeks to supersede the other, but in so doing it supersedes itself since it is only conscious of itself, has knowledge of itself, through this reflection into another self-consciousness.⁴⁷ There is a double action here, a dialectic of two self-conscious substances, for the other is undergoing the same process of internalization through externalization.⁴⁸ This double reflection establishes a common ground for self-conscious mediation. But in the contest for the mutual recognition of desire, one side is denied and survives the conflict only by giving up its freedom and becoming a servant. Thus the contest deprives the victor as well of the possibility of recognition by free self-consciousness. The master appropriates the servant's labour for the satisfaction of his material desire, but denies himself self-conscious recognition when he denies the self-consciousness of the other by treating him as a mere object. There is no recognition because the double-sided mediation, the common ground, is not present.⁴⁹ Instead there is the

46 Ibid., P179.

47 Ibid., P180.

48 Ibid., P182.

49 Ibid., P191.

"one-sided and unequal" mediation of domination.⁵⁰

The lord negates the independence of the external world through the bondsman. The bondsman is a mediating element, working on the world as an independent object and transforming it into something dependent on the lord's desire. It is the lord's power over the thing that holds the bondsman in subjugation, but the lord is also bound, by the externality of desire for a thing. The lord negates the thing through consumption, but this satisfaction is external, insatiable and dependent. The bondsman, however, while subjugated to the thing, an independent external objective world, is independent to the extent that he works on it.⁵¹ There is a dialectical inversion implicit in the relation of lord and bondsman. The lord does not achieve his object, recognition by self-consciousness, because subjugation denies the bondsman as self-consciousness. The lord has for his affirmation only the material gratification of desire. The bondsman, on the other hand, gains satisfaction in the activity of forming reality, but

having a mind of one's own ... is still enmeshed in servitude ... it is a skill which is master over some things, but not over the universal power and the whole of objective being.⁵²

The master-servant dialectic is that part of Hegel's

50 Ibid.

51 Ibid., P190.

52 Ibid., P196.

thought which has most deeply influenced critical Marxism. This independent objective world, created by the servant for the master, is that of commodity relations. The worker may think himself free in the world of free, independent market relations; but this freedom, on the objective side, only presents the possibility of freedom. It actually comes when the worker is free, works only for himself, as a producer who self-consciously directs this world of the objectification of human labour as a totality.

For Hegel, bondage is an historic labour which creates the conditions for human liberation. This struggle, which began in the labour of the Roman world, fulfilled itself in the world-historic culture of the European middle ages. The lord is the feudal lord standing over the serf; and the absolutization of this relation, at the level of totality, is the Lord Jesus of Christianity standing over the whole of civilization:

The two iron rods which were the instruments of this discipline were the Church and serfdom ...

This bondage physically freed man from the bondage of "unbridled desire". It was not "so much from slavery as through slavery ... [that] humanity was emancipated".⁵³

In the master, self-consciousness loses touch with sensuous, transformative activity. He is divided from this part of himself. He can be free only when the servant is

⁵³ Hegel, Philosophy of History, pp.406-7.

free. Only then can he engage in the activity of self-conscious affirmation. This is possible in a system of freely associated labour, where people mutually satisfy their desires as they actualize themselves. The first mediation of self-recognition into a universal, which leaves man estranged, is transcended by one

where every subject recognizes and promotes active universality in every subject, where all men equally recognize and co-operate with one another.⁵⁴

There is a parallel between the transformation from desire as consumption to desire as desire for self-consciousness and the transition from capitalism to socialism. Self-consciousness, as simple desire, is a form of dependence, of self lost to an externality. This condition corresponds to the marketplace, wherein the externality of need is insatiable because affirmation is sought in an object of consumption. The life of self-consciousness is estranged and its activity alienated into an external world of objectified labour.

For self-consciousness to be certain of itself, it must negate the other in such a manner as not to negate the freedom of the other. Otherwise recognition is not an affirmation as self-consciousness. Hegel calls the condition of mutual self-conscious affirmation ethical life. In the concrete universal, self-consciousness reflects into

54 Hegel, Phenomenology, p.xvii.

self-consciousness on the ground of universal subjectivity. Mutual determination is self-determination - an affirmation as self-consciousness. In Marxist terms, production is brought under the self-conscious direction of the producers. Social relations have a directly conscious character, and the form of exchange is self-conscious and explicitly posited social relations. This transformation of self-consciousness, of human species-life, from consumptive desire to self-consciousness, with itself and its own development as its object, is the philosophic expression for the transition from capitalism to socialism.

The master-servant dialectic has a deeper philosophic meaning as the birth of self-consciousness in the existential experience of total negativity. It describes a "species' epochē". Through the total experience of negativity, self-consciousness enters the essential substance of the bondsman. Thus the history of the development of free Spirit begins in the substantive negation of the bondsman as a natural being. The bondsman

has experienced the fear of death ... In that experience (consciousness)... has been shaken to its foundations. But this pure universal moment, the absolute melting-away of everything stable, is the simple, essential nature of self-consciousness, absolute negativity, pure being-for-self, which consequently is implicit in this consciousness. This moment of pure being-for-self is also explicit for the bondsman, for in the lord it exists for him as his object. Furthermore, his consciousness is not this dissolution of everything stable merely in principle; in his service he actually brings this about. Through his service he rids himself of his attachment to

natural existence in every single detail; and gets rid of it by working on it.⁵⁵

This negative substance, or substantive negativity, is the revolutionary element of Hegel's thought. The notion of the liberation of mankind as originating out of the actuality of the total denial of the bondsman is directly analogous to Marx's theory of proletarian revolution, wherein the total liberation of mankind is implicit in the proletariat's total denial as species-being. In both Hegel and Marx, the liberation of mankind originates in a total experience of negativity, a species' epoché which establishes the negative substance of our free being. Our development continues through a series of historic experiences to the point where freedom is for itself in a concrete historical formation.

The embodiment of negativity in the bondsman established free creativity as our species essence. Prior to this experience man was submerged in the natural world. According to Marx, the proletariat had undergone such a species-death and, as a result, was the social subject that represents the negation of this epoch. But for Hegel the experience of the bondsman is only the beginning of an historic labour.

Unlike the subjective desire of the lord, the work of the bondsman has a content. He is engaged in actualization, but the self-consciousness of this determination is es-

55 Ibid., P194.

tranged. Through the activity of creating an independent objective world the worker comes to a sense of his own independence as an objectification.⁵⁶ Though still subservient and living in fear of the lord, through working on and transforming the objective world the bondsman "becomes aware that being-for-self belongs to him, that he himself exists essentially and actually in his own right".⁵⁷

Labour is implicitly universal, and this universal substance "speaks its universal language in the customs and laws of its nation".⁵⁸ But it is only truly universal as a moment of a social formation animated by the principle of human self-determination. As work for an external objective world, it is alienation which contains within it negation as denial rather than as affirmation.

The movement of carrying forward the form of its self-knowledge is the labour which it accomplishes as actual History. ... Not until consciousness has given up the hope of overcoming that alienation in an external, i.e. alien, manner does it turn to itself, because the overcoming of that alienation is the return into self-consciousness; not until then does it turn to its own present world and discover it as its property, ...⁵⁹

Passages such as the above clearly indicate that the origins of Marx's analysis of alienation are to be found in Hegel. Hegel studied peoples as specific moments in the

56 Ibid., P195.

57 Ibid., P196.

58 Ibid., P351.

59 Ibid., P803.

development of concrete freedom. His ethical life is the concrete Spirit of a people. Marx studied classes and the historical dialectic of their conflictual relations as the motion of man toward universal freedom. Hegel sought human self-determination in the context of his own time, when freedom took the concrete form of a free nation-state.⁶⁰ Marx's thought, like the revolutionary times that he experienced, was more deeply radical. Marx saw that human self-determination is absolutely universal and not bound to any state. It is the emancipation of mankind as a totality.

4. The Concrete Universal

Hegel divided logic into two parts; objective logic, including the doctrine of being and its negation, the doctrine of essence; and subjective logic, the doctrine of the Notion. The Notion, as the negation of essence, is a negation of the negation and, hence, a return to being but as grounded on self-subsistent thought.⁶¹ Being is

restored as the infinite mediation and
negativity of being with itself.⁶²

The first negation of being, essence, had been abstract, the second is concrete. It establishes subjectivity, "absolute negativity", as the substance of the Notion.⁶³ In the

60 Ibid., P352.

61 G.W.F. Hegel, Science of Logic (London: George Allen and Unwin, 1969), p.596.

62 Ibid.

63 Ibid., pp. 115-16.

subjective logic there is an inversion wherein the object is not sensuously perceived being, but truth. The recognition of the universal inverts the relationship between subject and object, wherein the scientific development of subjectivity into objectivity, rather than mere sense perception, is the essential element in the determination of truth.⁶⁴

Hegel defines dialectical motion as

this course that generates itself, going forth from, and returning to, itself.⁶⁵

Dialectic is the necessary motion of self-determination. It is an immanent process in which motion is a consequence of the negative contained within and, hence, it is a self-determinate motion.⁶⁶ Each moment is dialectically self-determined by the opposite contained within its own nature.⁶⁷ In the objective logic, in being and essence, negation or determination brings a motion to a higher concept. There is a positive content in the negation in that the truth of the lower concept is not discarded, but this motion in knowledge is external to the object itself. Negativity is not necessarily possessed by the object itself but only in the object as appropriated by mind. Negation is something quite different when the object is self-conscious

64 Hegel, Phenomenology, P100.

65 Ibid., P65.

66 Hegel, Science of Logic, p.59.

67 Ibid., p.106.

and, hence, possesses negativity as its substance. Man possesses universality as an internal negative substance, viz. the epochē to self-consciousness.

The Notion, or the concrete universal, is the ground through which its moments are sublated.⁶⁸ In being, or the substantial immediate, and essence, or abstract existence, the base of a new development is a particular contradictory relationship. The new development is their resolution. But the concrete universal is above this process of mutual negation. A determination is not external as in being and essence. The dialectic here is affirmative. Its ground is not lesser determinations but the life of the universal.

This universal Notion ... contains the three moments: universality, particularity and indiv-
duality. ... each of these moments is no less the whole Notion than it is a determinate Notion and a determination of the Notion.⁶⁹

The Notion is self-subsistent negativity which posits itself as its own substance.⁷⁰ What was contingency before is now posited as the internal necessity of freedom. The dialectical development of the Notion is not some logical construct into which reality is fitted, but the internal logic of the reality itself. A concrete social formation is not dominated by externalities or abstractions, but self-consciously determines the substance of social relations as

68 Ibid., pp. 615-16.

69 Ibid., p.600.

70 Ibid., p.603.

the actualization of human freedom. Each sphere of social life is self-determined, but does not determine itself by negating the other as an object. Particulars are free as determinations of the concrete totality of freedom:

a given particular is not subsumed under this universal. but in this determining, this positing of a difference, and the resolving of it, the particular has at the same time already determined itself.⁷¹

Hegel's concrete universal is a paradigm for interest mediation in a system of affirmative social relations. Just as determination in the concrete universal changes from negation grounded in externality to negation grounded in subjectivity and thus, for the subject, affirmation, so objectification becomes self-objectification, i.e., affirmation. In a concrete universal social formation, capital may become an internally grounded species concept, and political participation may develop from a formal decision-making process into mutually affirmative political praxis.

Self-consciousness attains concrete totality by negating individual and particular instances, as expressions of external contingency, in order that they might become moments of its own self-determination. A universal law is neither a quantitative relation nor a collection of instances, but something internal to substance. Substance holds an implicit rationality which can be made explicit through the reflective processes of mind. Hegel's concep-

71 Ibid., p.28.

tion of the universal binds necessity and abstraction into a unity, wherein necessity is not mere quantity and the universal is not just an abstraction but a concrete universal.⁷² The Idea begins as an abstract concept which, as it develops in its determinations, gains more and more content, becoming a concrete universal.⁷³ As Vranicki observed:

Idea ... is the principle of all life ... of all concreteness ... ideas, judgement, etc. cannot be simply dead abstractions ... but rather substantial form and formal substance.⁷⁴

The dialectical motion toward the unity of thinking and being culminates in the absolute, a unity that is no reflection but the straightforward manifestation of actuality. The positing of this unity is the Notion.⁷⁵ The latter lives as a self-differentiating totality in which the individual is immediately universal and the universal individual, and "their simple identity is particularity".⁷⁶

Hegel transcends Spinoza's doctrine of substance with the dialectic of the interaction of two substances, the dialectic of reciprocity, into the Notion. In the dialectic of reciprocity substance directly becomes its own cause, and

⁷² Predrag Vranicki, O Problemu Općeg, Posebnog i Pojedinačnog Kod Klasika Marksizma (Zagreb: Kultura, 1952), pp. 34-35.

⁷³ Hegel, Philosophy of Right, A19.

⁷⁴ Vranicki, O Problemu Općeg, Posebnog i Pojedinačnog, pp. 38-39.

⁷⁵ Hegel, Science of Logic, pp. 554-55.

⁷⁶ Ibid., p.571.

this reflection into self raises substance to the Notion. Necessity is raised to freedom. This is the ultimate in that mind, in attaining absolute freedom, returns to itself out of being.⁷⁷ The dialectic of substance against substance is the logical paradigm for the mediation of organic interest associations into an ethical totality. Substantial self-consciousnesses, through this mediation, are mutually both active and passive, both cause and effect. As moments of a concrete totality, their self-determination is ethically conditioned through the necessity of becoming a means to another's self-determination. Through this reflection of causality into itself, subjectivity is raised into self-conscious objectivity.⁷⁸ This objective universal, in turn, gains human substance in the objectively developed capacities of individuals and in the associational life of self-governed communities.

77 Ibid., pp. 581-2.

78 Ibid., p.599.

5. Dialectical Political System

Hegel's Idea is the essence of creativity, of the bringing to life of mental conceptions for themselves by man, as a universal being.⁸⁰ Free self-actualizing thought is inherently dialectical.⁸¹ It transcends the contingent by creating necessity and particularity as moments of its own self-determination. But thought is dialectical only if self-examination is immanent in its categories of knowledge.⁸² It must have the capacity to make explicit the internal limitation of its own finite determinations. Dialectic is the infinite immanent in the finite which stimulates self-transformation.⁸³ A true project for the realization of our human potential must have this capacity, not merely as a thought system, but as a power immanent in the project's system of social objectifications.

Substantive negativity enters motivation in an experience of 'historical epochē' and is developed in an historical cultural process of Bildung. A dialectical political system must hold the negativity of universal self-consciousness in the substantive relations of its social existence. But this negativity, rather than being denial, is freedom affirmed in an educational process which takes the subject

80 Hegel, Hegel's Logic, P213.

81 Ibid., P14.

82 Ibid., R41.

83 Ibid., R81.

beyond the limitations of the Understanding to non-estranged and self-determining Reason.

Hegel and Marx believed that a transition to universality is implicit in modern means of production:

The teleological relation is a syllogism in which the subjective end coalesces with the objectivity external to it, through a middle term which is the unity of both. This unity is on one hand the purposive action, on the other the Means, i.e. objectivity made directly subservient to purpose.⁸⁴

This middle term is specifically human labour and its objectification in the means of production. The teleological syllogism reveals, from the perspective of a particular, the flaw in an existing totality.⁸⁵ This is the logic of Marx's proletarian socialist critique of capitalism. Hegel had presented this flaw in the Philosophy of Right when he discussed the phenomena of the externality of needs, the growing extremities of poverty and wealth, and crises of overproduction.

In Hegel's philosophy the teleological syllogism is a finite and contingent end, but contains within it the implicit essence of the true unity of the subjective and objective.⁸⁶ This thesis argues that this essence becomes human self-determination when objectified, truly human

84 Ibid., P206.

85 Ibid., P207.

86 Ibid., P211 & P212.

labour is the substance of a concrete ethical universal.

The notion leading into the Absolute Idea is will or volition.⁸⁷ Will, or practical reason, is the substantive basis of political life. The objectification of will entails human self-determination, that is, the activity of our self-development and self-liberation.

While Intelligence merely proposes to take the world as it is, Will takes steps to make the world what it ought to be. Will looks upon the immediate and given present not as solid being, but as mere semblance without reality.⁸⁸

The true is the realization of what ought to be.⁸⁹ Will is the self-conscious activity of making this ought a reality.

Free thinking spirit is self-determined in the necessity of universal principles of right.⁹⁰ Concrete freedom is man freeing himself on every side from contingency to establish himself on the terrain of the Absolute. He is free not merely because he identifies with the universal, but because he is an active agent who develops himself internally. The universal is not something estranged, but is his own developed nature as free being.⁹¹

The very essence of Spirit is activity; it realizes its potentiality - makes itself its

87 Ibid., P233-P235.

88 Ibid., R234.

89 Ibid., R214.

90 Hegel, Philosophy of Right, P152.

91 Hegel, Philosophy of History, p.17.

own deed, its own work - and thus it becomes an object to itself; contemplates itself as an objective existence.⁹²

Spirit is an active substance which renders itself objective to know itself and, in doing so, transforms itself.⁹³

The force of this subjective negativity is dialectic.⁹⁴ Freedom is both the activity of self-consciousness and its essential being as negative substance. Dialectic is the necessary logic of this substance, whereby each determination carries in itself the negativity of its own dissolution. Dialectical motion is the activity of freedom, or self-determination, whereby self-consciousness goes out from itself into a specific determination, reflects upon this objectification of itself and through this reflection returns to itself as a richer, more developed, self-consciousness.

This dialectic is the immanent motion of our specifically human substance, self-conscious freedom. Dialectic is the process of making the implicit explicit. But making our implicit nature explicit requires that we reflect into self in order to build up our negative substantiality, our creative capacities. Their actualization transforms our implicit nature, thus laying the foundation for a new motion from implicit to explicit.

92 Ibid., pp.73-74.

93 Ibid., p.78.

94 Hegel, Science of Logic, p.826.

Hegel states his perspective on self-determination most concretely on the question of funding through taxation versus voluntary contribution. He refers to the principle that everyone should have the means to be a member of society:

A false view is implied both when charity insists on having this poor relief reserved solely to private sympathy and the accidental occurrence of knowledge and a charitable disposition, and also when it feels injured or mortified by universal regulations and ordinances which are obligatory. Public social conditions are on the contrary to be regarded as all the more perfect the less (in comparison with what is arranged publicly) is left for an individual to do by himself as his private inclination directs.⁹⁵

Self-consciousness is more absolute and true when it is actualized in the universal.

Freedom is the positive capacity and knowledge to determine and to develop humane social conditions. In such a humanized environment, each and everyone is best able to affirm himself. Such affirmation exists in a concrete universal wherein substantive ethical behaviour conforms with self-consciously apprehended legal norms. In such conditions one is less exposed to wrong and more able to plan his life. Most importantly, the universal comprehension of social conditions opens the possibility for a critical discourse on the universal which may lead to the transformation both of these conditions and of the universal by which society governs itself. Self-determination, merely

⁹⁵ Hegel, Philosophy of Right, R242.

as the expression of individual and particular interests and rights, not only restricts the freedom to participate in the direction of society as a whole, but also denies the real possibility of an absolute critique of the totality of social relations.

Hegel's dialectic is that of the development of the human subject to Reason. Man is affirmed as free through the mediation of the intellectual world of conscience, which internally recognizes and develops universal knowledge, and the external objective order created by this self-consciousness. Through this dialectic the objective world is rendered internal. Rather than being external contingency, such as nature, the nature-like laws of the market, or a social formation that perceives itself through positivist science and thereby denies the human subject, the objective is instead a creation of self-consciousness.

Hegel's political system is a concrete universal, that is, a differentiated totality wherein the free expression of subjectivity and of particular organic interests is dialectically mediated into the self-conscious totality of substantive-objective, or rational-organic, individual, particular and universal moments. The moments of Hegel's totality have both past and present dimensions. It is as if each individual and each generation lives the life of the whole species but acquires this life through a process of

education that does not entail the same amount or kind of labour as in the original creation. An individual may move toward acquisition of universality through an education that is the intellectual culmination of the historically mediated development of universal self-consciousness. The historic moments of the past live in the present as necessary moments of the present totality of relations, but they are transformed as moments of this totality. Thus the moments of the concrete universal - the singular, particular and universal - employed in the Philosophy of Right, have a dimension as historic moments in the self-determination of self-consciousness and also a dimension as current moments necessary to the actuality of the concrete universal.

The first historic moment is substantial ethical life, which corresponds to life in accordance with customary law in the polis. In the modern state the substantial moments are the family and the Corporation.⁹⁶ The Corporation, the organic interest association, is a modern substantial community like the polis, wherein members participate in political life through particular working or living communities. The Yugoslav self-governing association is based on the same notion of the substantial self-conscious community on the economic and social terrain (organic structure) of a self-governing society.

The second historic moment is the abstract totality of

96 Ibid., P255.

ancient Rome and also of modern republican civil society. In contrast to these historic moments of abstract right, civil society in Hegel's modern state is the region of particularity wherein the universal differentiates and actualizes itself in the autonomous associational life of free communities. This is analogous to socialist society, wherein the market exists as the necessary moment for the free action of subjectivity to realize particular aims.

The Corporations and Estates are ethical moments in the sphere of particularity. This ethical particularity is the representational, working and living organic terrain through which Hegel hoped to actualize concrete freedom in the affirmation of individual, universal self-consciousness. The Corporation, though limited as the organic expression of a particular interest, is a necessary associational link for bringing freedom to life in everyday activities. It is a substantial community, founded on a particular organization for the satisfaction of human need, formally recognized by the universal with representation in the universal assembly of the socio-political community, or the Estates to use Hegel's antiquated phrase. The Corporation is concrete - formal and substantial - with individual, particular and universal moments in itself. This internal concreteness makes it the crucial organic link in Hegel's attempt to overcome estrangement and fragmentation.

The final historic moment is the modern state, or

ethical life, or self-consciousness realized as a concrete universal. In Hegel's view of history, the Christian project was completed in the life of the modern state with the sublation of morality into an objective existence in scientifically formulated laws brought to life by the activity of the people. Most concretely, this universal is the self-consciousness of a free people which comprehends itself through a dialectical discourse on its own cultural and political life. In this dialectic, free subjectivity develops and affirms itself on its own ground, which is at the same time that of objective totality. According to Hegel the modern state

allows the principle of subjectivity to progress to its culmination in the extreme of self-subsistent personal particularity, and yet at the same time brings it back to the substantive unity and so maintains this unity in the principle of subjectivity itself.⁹⁷

For this author, this is the best formulation of the true meaning of rational democratic self-government.

Substantial ethical life is a non-mediated notion of universal self-government such as could be found in the Greek polis, in radical republican democracy and in Marxist socialism. Hegel's system is their negation into concrete ethical life. Theoretically, this negation parallels the negation of statism by self-management socialism. The Yugoslavs develop socialism on its internal side, from a

97 Ibid., P260.

mediated unity of substantively self-determined associations. But their experience shows that self-management is merely formal if social labour remains substantively proletarian. Only professional producers take an active interest in associated labour. Self-management ceases to be a formal system as the universal of social relations becomes an ethically directed association of producers engaged in self-affirmative labour.

6. From Abstract to Concrete Totality

Substantial political life begins with mind at home with itself in an organic and immediate political community. The subversion of this community by the principle of free subjectivity initiated the dialectical motion toward concrete totality. Free subjectivity at first determines itself through a formal and abstract rationality. The life of the community is governed by an objective order estranged from substantive subjectivity. Historically, this is a period of great achievement, but it occurs in a condition of alienation which denies a large portion of humanity and alienates mankind as a whole from its universal self.

Estranged from the substantive life of the species, the totality of relations is abstract and the individual is only a formal subject. The negation of this alienation is a negation of the negation which sublates both the abstract totality and its sublated moment, the substantial community, into moments of recaptured subjectivity - moments

of concrete totality. Concrete totality is a mediated unity of rational organic moments, governed by an objective rationality which is not merely formal because it is a synthesis, within itself, of its organic life as substantial particulars. Particulars become truly ethical as moments of a concrete universal. The individual enters social life not merely as a formal legal subject, but as the subject of a community wherein his personality is concretely affirmed. He gains recognition not merely in terms of abstract rights or spending power, but for substantive personal accomplishments. Self-actualization and identification with the universal life of the community are brought into a mediated unity wherein motivation is a moment of an ethical whole.

In an abstract system, determinations are

external to the abstraction, as though not only were the other omitted properties of the concrete distinct from the one retained, which is the content of the abstract universal, but also as though this operation of omitting the other properties and retaining the one were a process outside the properties themselves.⁹⁸

The most familiar example of this process of abstraction is Marx's notion that human species-powers are abstracted into a single property alien to these concrete properties of the species. In capitalism individual properties are abstracted into capital. The individual is recognized, in general, only as a producer of value. Money thus acquires the powers of the individual; and an individual can have such powers,

⁹⁸ Hegel, Science of Logic, p.602.

not through his own nature, but merely through the possession of money.

The concept of the abstract universal is a summary of Hegel's critique of German idealism:

the abstract universal contains all the moments of the Notion. It is (a) universality, (b) determinateness, (c) the simple unity of both; but this unity is immediate, and therefore particularity is not present as totality.⁹⁹

what makes this universality abstract is that the mediation is only a condition or is not posited in the universality itself. Because it is not posited, the unity of the abstract universality has the form of immediacy, and the content has the form of indifference to its universality, for the content is not present as the totality which is the universality of absolute negativity. Hence the abstract universal is, indeed, the Notion, yet it is without the Notion; it is the Notion that is not posited as such.¹⁰⁰

The abstract universal is a condition of estrangement:

The universal is for itself because it is in its own self absolute mediation, self-reference only as absolute negativity. It is an abstract universal in so far as this sublation is an external act and so a dropping of the determinateness. This negativity, therefore, certainly attaches to the abstract universal, but remains outside as a mere condition of it; it is the abstractive activity itself, which holds the universal away and opposite it and which therefore does not have individuality within itself, and remains destitute of the Notion. ... it deprives its products of singularity, of the principle of individuality and personality, and so arrives at nothing else but universalities devoid of life, spirit, colour and filling.¹⁰¹

99 Ibid., p.608.

100 Ibid., p.609.

101 Ibid., p.619.

Hegel declares that a state founded on the right to private property must transfer

the characteristics of private property into a sphere of a quite different and higher nature.¹⁰²

The element of private will is brought into the universal, allowing it, by right, to be the instrument of a particular interest. Civil society is a lower moment of the historical development of the state. This state of the Understanding, expressed in various contractual theories of the state, is the state in externality, where public and private life are held apart as estranged moments and people are generally apolitical. Self-projected as democratic, its voting process has the consequence of imparting political impotence to the citizen body, with actual power falling to a narrow political caucus. Far from giving power to the universal interest, this abstract voting process places it in a narrow, particular interest.¹⁰³

A revolution, writes Hegel, is "a sunburst which, in one flash, illuminates the features of the new world".¹⁰⁴ The French Revolution was such a sunburst - an historic epoché. It illuminated, in a single historic moment, the features and the future historical development of bourgeois and, indeed, socialist societies. Self-consciously per-

102 Hegel, Philosophy of Right, R75.

103 Ibid., R311.

104 Hegel, Phenomenology, P11.

ceived as a return to the virtues of ancient Rome, the French Revolution placed general will on

the throne of the world ... individual consciousness ... put aside its limitation; its purpose is the general purpose, its language universal law, its work the universal work.¹⁰⁵

It ended with a Caesar. In achieving absolute freedom through direct unity with the universal, consciousness denies its freedom as particular self-consciousness.¹⁰⁶ Absorbed in the work of the universal, all particular determinations of the universal disappear. The individual and the universal both lose their actuality. Each is actual only as a mediated totality which affirms free independent self-consciousness, the particular life of communities and the universal objective life of the community. The result of the victory of individual subjective will, as in the French Revolution at its height, is total negation, "merely the fury of destruction".¹⁰⁷

Abstract individuality, linked to an abstract universal through a formal voting process, and divorced from an organic process of mediation out of the system of needs, is a condition of estrangement wherein political life lacks an ethical dimension and freedom is the randomness of caprice. This state is an aggregation of "volitional atoms", with

105 Ibid., P585.

106 Ibid., P588.

107 Ibid., P589.

each will "represented as absolute". Political community at the level of totality "is not an independently substantial Unity".¹⁰⁸ Without organization, liberalism's atomistic freedom is without substantial life.¹⁰⁹ Its mechanistic interaction provides merely the illusion of freedom.¹¹⁰ Man's nature is externally determined by abstract relations between "external objects with the special character of being property".¹¹¹ This externality generates needs which can never be truly satisfying. They increase ad infinitum, leaving man in a condition of perpetual and increasing impoverishment. Exposed to this contingency, will is dependent and externally determined. Will is truly free only when internally grounded in itself.¹¹²

To the Understanding, will is a psychological phenomenon separate from thinking.¹¹³ Self-control and judgement are excluded from will.

An impulse is simply a uni-directional urge and thus has no measuring rod in itself ...¹¹⁴

The establishment of priority among these impulses from

¹⁰⁸ Hegel, Philosophy of History, p.445.

¹⁰⁹ Ibid., p.452.

¹¹⁰ Hegel, Philosophy of Right, R15.

¹¹¹ Ibid., P195.

¹¹² Ibid., P10.

¹¹³ Ibid., A5.

¹¹⁴ Ibid., P17.

this perspective "depends equally on subjective arbitrariness".¹¹⁵ Truly free will is a thinking will which does not see right as a negative external restriction imposed upon the individual, but as its own self-conscious affirmation.¹¹⁶ But this affirmation of will in right necessarily begins abstractly, with the concept of property.¹¹⁷

Affirmation is implicit in Hegel's concept of property, even as employed in the sphere of abstract right. Its self-conscious negation preserves and raises property into a moment of the concrete concept of freedom. Property "is the first embodiment of freedom".¹¹⁸ It is not the appropriation of an object, but a merely objective form of interpersonal recognition. Though restricted by this contingency, the notion has an immediate humanist content as "the embodiment of personality".¹¹⁹ Property is an immanently social concept which, when exposed to wrong, calls forth the need for concrete ethicality.

From his humanist perspective, Hegel considers Bildung, self-development, particularly educational self-development, to be the only true property:

It is only through the development of his own

115 Ibid., P18.

116 Ibid., P29.

117 Ibid., A22 & P36.

118 Ibid., R45.

119 Ibid., P51.

body and mind, essentially through his self-consciousness's apprehension of itself as free, that he takes possession of himself and becomes his own property and no one else's.120

Objectification has the purpose of affirmation - that which is externalized through labour returns to self through the humanization of the world. This general positive self-objectification of man is culture.121 Culture is the accumulated product of man that affirms man as man. Culture would be the "capital" of a fully humanized social formation. Hegel's property is personal, familial, corporate and universal, and finally consonant with concrete universal ethical life.

But the relations within the sphere of abstract right restrict this affirmation. Social life is split into the abstract totalities of political versus economic life. In the economic sphere social relations have an abstract objective form as the exchange of property.

A person by distinguishing himself from himself relates himself to another person, and it is only as owners that these two persons really exist for each other.122

The sphere of abstract right is governed by an abstract, alienated legal discourse, which does not relate self-conscious persons but things.123

120 Ibid., P57.

121 Hegel, Phenomenology, P487.

122 Hegel, Philosophy of Right, P40.

123 Ibid., R40.

Abstract right, which is not yet a system of right between self-conscious subjects, creates a world of social relations between things. The social discourse is abstract because it is lost in the one-sided externality of material relations. It is easy to recognize the philosophical roots of Marx's critique of capitalism in Hegel's critique of abstract right. It is the abstract, alienated discourse of abstract right, wherein people exist for each other only as property, that Marx saw as the root of dehumanization in capitalist society. Hegel, like Marx, saw abstract right, and the social relations that it implies, as a necessary stage in the dialectical development of human self-determination. But Hegel added that this one-sided objective moment calls forth its own opposite, internal reflection, the development of conscience and morality. When brought into synthesis, these become concrete moments of ethical life wherein the substantive life of rational impulse and desire is mediated into a concrete system of right. Will, governed by a self-conscious discourse on the universal, may become the substantive side of human freedom.

An abstract system rests on contractual contingency - on the arbitrary interaction of individual wills - in the economic and political "markets". Because this contractual meeting of wills "is a matter of chance", this relation may be exposed to wrong.¹²⁴ The exposure of this common will to

124 Ibid., P81.

wrong is its internal limit. When wrong, the negation of contract, is in turn negated, right "makes itself actual and valid".¹²⁵ Right, affirmed on its own ground, develops free substance into concrete universality.

In the resolution of wrong, will moves from abstraction to will self-related. The transition is from abstract right (persona) to morality, or "its self-determination as subjectivity".¹²⁶ In property will is abstract - it exists in an external thing. Contract joins individual wills into a common will. Wrong exposes the contingency of this external, abstract particular universal. Morality is this contingency,

as reflected in upon itself and self-identical, the inward infinite contingency of will, i.e. its subjectivity.¹²⁷

Will, which at first exists in something external, must affirm itself by turning inward and having itself for its own object. Through the negation of the negation of abstract right,

this return to itself is the moment of affirmation, but it can attain it only by superseding its immediacy.¹²⁸

Subjectivity must gain an objective life in the concrete universal of ethical life. With morality, subjectivity is

125 Ibid., P82.

126 Ibid., R104.

127 Ibid.

128 Ibid., A66.

grounded on the consciousness of oneself as an independent subject. The relations thus established are intersubjective relations of self-consciousness reflecting into self-consciousness, and this intersubjectivity is the ground for the reflection into the objective determination of will, into self-consciousness as a concrete totality.¹²⁹

An abstract political system is negated into ethical life, but it is also preserved and elevated, as the civil society of a higher ethical order, or civil society made ethical through rational organic mediation. The market is sublated by being made ethical. Something is sublated as "the result of a mediation".¹³⁰ Through negation into a concrete universal, such as the historical transformation from capitalism to socialism, the past is not simply denied, but cancelled, raised and preserved. Contrary to Marx's view, this transformation would appear to imply that commodity relations could not be totally eliminated. Total state organization of economic life would be an abstract negation of the market, replacing it with the abstract universality of the bureaucracy. The Yugoslav system represents the closest approach to the self-conscious dialectical transcendence of capitalism. Here commodity relations are preserved, but they are set in a social system where the producers govern enterprise relations in confor-

¹²⁹ Ibid., A71.

¹³⁰ Hegel, Science of Logic, pp. 580-81.

mity with laws laid down by socio-political communities and, in particular, by the social plan. The market, as such, no longer exists: it has been transcended by a new form, the planned-market.

7. Concrete Political Life

Hegel contends that concrete freedom is actualized through organization:

it is of the utmost importance that the masses should be organized, because only so do they become mighty and powerful. Otherwise they are nothing but a heap, an aggregate of atomic units. Only when the particular associations are members of the state are they possessed of legitimate power.¹³¹

An organization is a particular universal. Particularity is necessary to the concrete actuality of a universal. The individual, as a concrete person, is a member of a group, first of all his family and then working and other associations.¹³² Only through organization may individuals have actuality for the totality of social relations. As singular individuals, despite the right to vote, they bear no objective relation to the universal, and the universal, in turn, lacks a real human content. As political representational structures of the state, Hegel's Corporations in the organized system of needs establish free subjectivity as a real substance for rational political life.¹³³ Subjecti-

131 Hegel, Philosophy of Right, A174.

132 Ibid., R303.

133 Ibid., A165.

vity is thus allowed full expression:

The determinations of the individual will are given an objective embodiment through the state and thereby attain their truth and their actualization for the first time.¹³⁴

The unity of particular and universal is achieved through a dialectical process of the mediation of interests. The system functions around the mediation of subjective particularity with objective right.¹³⁵ The communities meet directly in the legislature.¹³⁶ The substantive subjectivity of their conflicting interests is reconciled in a universal which, as the objective determination of free universality for itself, is concrete. But to the extent that Hegel had a merely political-institutional conception of mediation into the concrete, his system was not a self-developing totality of our human potential.

The state is the actuality of concrete freedom when its universal principles are freely realized and developed by individuals and particular associations "as their own substantive mind".¹³⁷ Individuals pursue self-interest, and particular communities manage their own spheres of social activity; but they must do so as self-consciously informed moments of the universal life of the community. This

134 Ibid., A155.

135 Ibid., R206.

136 Ibid., R303.

137 Ibid., P260.

universal is concrete because it is dialectically grounded in the objective recognition of its own substance in internally motivated individual and particular interests:

The essence of the modern state is that the universal be bound up with the complete freedom of its particular members and with private well-being, ... the universal end cannot be advanced without the personal knowledge and will of its particular members, whose own rights must be maintained. Thus the universal must be furthered, but subjectivity on the other hand must attain its full and living development. It is only when both these moments subsist in their strength that the state can be regarded as articulated and genuinely organized.¹³⁸

Hegel's state can be an inversion into the concrete because it grounds itself on will.¹³⁹ Hegelian will is practical, non-estranged, mind,

a special way of thinking, thinking translating itself into existence.¹⁴⁰

Will is the practical attitude of mind through which one determines oneself.¹⁴¹ In a concrete social formation, will is the practical activity of determining oneself as free. This will is the concrete notion of praxis:

The theoretical is essentially contained in the practical ... the will contains the theoretical in itself. The will determines itself and this determination is in the first place something inward, because what I will I hold before my mind as an idea; ... The content of something thought has the form

138 Ibid., A154.

139 Ibid.

140 Ibid., A4.

141 Ibid.

of being; but this being is something mediated, something established through our activity. Thus these distinct attitudes cannot be divorced; they are one and the same; and in any activity, whether of thinking or willing, both moments are present.¹⁴²

Recognition as a free and affirmed individual obtains a real content through the mediation of labour. Recognition is immanent in Hegel's concept of labour.¹⁴³ Labour is the activity of the mediation of subject and object whereby man develops himself internally through his externalizations. Hegel transcends the merely political state by placing its rationality in the actuality of its working communities.

The concrete state is the whole, articulated into its particular groups. The member of the state is a member of such a group, i.e. of a social class, and it is only as characterized in this objective way that he comes under consideration when we are dealing with the state. His mere character as universal implies that he is at one and the same time both a private person and also a thinking consciousness, a will which wills the universal. This consciousness and will, however, lose their emptiness and acquire a content and a living actuality only when they are filled with particularity, and particularity means determinacy as particular and a particular class-status; ...

Hence the single person attains his actual and living destiny for universality only when he becomes a member of a Corporation, a society, &c. (see Paragraph 251), and thereby it becomes open to him, on the strength of his skill, to enter any class for which he is qualified, the class of civil servants included.¹⁴⁴

142 Ibid.

143 Shlomo Avineri, Hegel's Theory of the Modern State (Cambridge U.P., 1972), p.91.

144 Hegel, Philosophy of Right, R308.

Human essence is mediated into free existence through a corporate moment of self-actualization.

The Idea of right is a product of the activity of will:

The will's activity consists in annulling the contradiction between subjectivity and objectivity and giving its aim an objective instead of a subjective character, while at the same time remaining by itself even in objectivity. ... this activity is in essence the development of the substantive content of the Idea ... 145-

Truth is the correspondence of existence and the concept; therefore, will is true when it is free.¹⁴⁶ Its existence and concept correspond when its practical activity is the concrete realization of freedom. Will is truly will through the self-mediating process of determining itself and apprehending this determination in thought.¹⁴⁷ Will is the active unity of the individual and the universal. As free will it is only for itself, self-determined, when it has universality "for its object, content, and aim".¹⁴⁸

As the activity of determination, will is necessarily singular, concentrated and restrictive.

As Goethe says: 'Whoever wills great achievement must be able to restrict himself.'¹⁴⁹

In Hegel's concrete notion of praxis the individual must

145 Ibid., P28.

146 Ibid., P23.

147 Ibid., R27.

148 Ibid., P21.

149 Ibid., A11.

recognize himself as finite, as internally limited, to be affirmatively negated in a particular self-determined activity which is a moment of man's universal life.

Hegel's ethical life has three moments: family, civil society and the state. Family is an immediate substantial unity, an ethical unit bound together by love.¹⁵⁰ Love is the first moment of ethicality, wherein one finds oneself in an other. Civil society, which appears as an autonomous moment for the first time in the modern world, is the moment of difference, wherein the universal is determined in various particulars.¹⁵¹ As a stage of transition from undifferentiated universality to the differentiated universality of the modern state, civil society is necessarily a stage of particularity. Totality is broken apart only to be reunified on the basis of the self-conscious apprehension of relations. Civil society, as the moment for the determination of concrete freedom in particularity, is a sphere of mediation wherein individual and particular interests are educated to a self-consciousness of the universal.¹⁵² Implicit in the activity of civil society is an educative process that raises people to the consciousness that their real interest is not mere self-interest but the synthesis of interests into a concrete totality.

150 Ibid., P158.

151 Ibid., P181 & A116.

152 Ibid., A116 & P197.

Civil society has two fundamental principles, the concrete person, a particular totality of needs and desires, and the relations between concrete persons whereby these needs and desires are satisfied. The first is particularity, and the second is the universality implicit in the necessity of relations with others.¹⁵³ In civil society the particular is the determinate end, but this search for particular ends is bound by the implicit rationality of the necessity of the division of labour.¹⁵⁴ Legal relations and organic interest representation, as moments of a concrete universal, raise this implicit rationality into the necessity of ethical life.

According to Hegel, what is rational is actual, and what is actual is rational. But he adds:

Actuality is always ... the universal dis-
 membered in the particulars ... Genuine
 actuality is necessity ... Necessity con-
 sists in this, that the whole is sundered
 into the differences of the concept ...¹⁵⁵

The state, though prior to civil society both logically and historically, is developed through civil society. The substance of ethical life obtains its true infinity in

(1) infinite differentiation down to the
 inward experience of independent self-
 consciousness, and (2) the form of uni-

153 Ibid., P182.

154 Ibid., A116.

155 Ibid., A162.

versality involved in education.¹⁵⁶

Without the self-organization of society, the state is an external abstract order.¹⁵⁷ The actuality, the organic life, of the state arises out of associations of common interest. Particularity begins as subjective need satisfied by "external things" and by "work and effort, the middle term between the subjective and the objective".¹⁵⁸ Man's inherent universality is demonstrated in human need by his capacity to create ever new needs and new means for their satisfaction.¹⁵⁹ The system of needs is the dynamic centre of Hegel's civil society, wherein concrete freedom is realized in the development of human nature.¹⁶⁰ These "particular systems of needs, means, and types of work", or "class-divisions", emerge out of the system of production, consumption and education.¹⁶¹ In a concrete ethical order, the internally self-transformative mediation of autonomous organic associations would be determined as necessary moments of a concrete ethicality which, in turn, is rooted in the subjective disposition of these associations.

The organs of Hegel's civil society are mediated into

156 Ibid., R256.

157 Ibid., A174.

158 Ibid., P189.

159 Ibid., P190.

160 Ibid., R190.

161 Ibid.

the state. The universal is rooted in the particular universal, and it is through the Corporation that the individual is oriented to the universal. The Corporation forms the base of the state because individuals see it as the means for the realization of their particular ends. The state gains substantial life in the subjectivity of individuals because their corporate interest associations represent and realize, in a mediated fashion, their particular subjective interest. This is the concrete basis of the individual's support for the state. This is the rational basis of patriotism.¹⁶²

Hegel's system is antiquated in the sense that it incorporates a class system which even at the time of his writing was about to undergo radical change. The Corporations are only appropriate for his business class, i.e. not for his substantial agricultural class, whose principle is family life, nor for his universal class, whose life is administrative activity grounded in the universal. Only the business class, where universality is broken up into determinacy, has need of the Corporation to organize and bring its relations to universality.¹⁶³ But Hegel's business class is not what is normally understood by the term. It generally includes all those people who live by their

¹⁶² Ibid., P267 & R289.

¹⁶³ Ibid., P250.

intelligence.¹⁶⁴ Hegel was concerned primarily with the productive activity of mind. Today the "business class" would correspond most directly to self-employed professionals who have joined into production associations of common interest.

Corporations arise out of the "labour organization of society"; and "a member of civil society is in virtue of his own particular skill a member of a Corporation".¹⁶⁵ Hegel believed that everyone has a right to expect employment as a member of civil society.¹⁶⁶ One's rights as a member of civil society are actualized as a producer who is a member of a Corporation. Man is not a citizen but a citizen-producer who actualizes his political rights as a producer. Thus Hegel's Corporation may be viewed as a limited kind of producer's democracy wherein associations are the organic basis for individual self-actualization.¹⁶⁷ Someone begins to determine himself objectively as universal by taking up an occupation. One becomes a substantive participant in ethical life through participation in one of its functional organs. He is actualized in the universal as he determines himself in this mediating particular, and the universal is actualized in this mediation. The Corporation

164 Ibid., P204.

165 Ibid., P251.

166 Ibid., R148.

167 Ibid., P207.

is an association of labour wherein the individual, through his Corporation's participation in the universal, transcends the limitation of his particular work to recognize concretely his activity's relation to other activities. The universal is concrete, and the individual is a concrete member of society because he is "clearly conscious of the universal which regulates his activity".¹⁶⁸

Through the Corporation, the application of skill and the pursuit of wealth are elevated to the universal. At the same time, the Corporation frees personality from subjective contingency and provides security and objective recognition.¹⁶⁹ The individual gains recognition that he is a "somebody".¹⁷⁰ His personality is affirmed through the recognition of skill and achievement and the right to consumption. As a member of this particular universal, he is recognized as a member of society as a whole and gains his social position from such recognition.¹⁷¹ As a concrete moment of mediation between civil society and the state, the Corporation's actualization of the individual brings the universal to life.

The Corporation unifies the substantiality of human freedom, in the particularity of need, with its formal side,

¹⁶⁸ Philosophy of Right, translator's notes, p.362.

¹⁶⁹ Ibid., P254.

¹⁷⁰ Ibid., A130.

¹⁷¹ Ibid., P253.

law or the universal, and raises its members into the actuality of ethical life through organic representation in the legislature. It gives man in his private pursuits a place to participate in political life. Otherwise the political life of the state would be something abstract and separate from his everyday life.¹⁷²

A particular will becomes ethical through its own labour.¹⁷³ The subjective and objective are mediated by "work and effort".¹⁷⁴ There is a dialectical advance whereby the pursuit of self-interest, through the mutually interdependent system of production and consumption, is mediated into and through universality by contributing to the production and consumption of others.¹⁷⁵ Moreover, this activity contributes to the

universal permanent capital (see paragraph 170) which gives each the opportunity, by the exercise of his education and skill, to draw a share from it and so be assured of his livelihood, while what he thus earns by means of his work maintains and increases the general capital.¹⁷⁶

For Hegel, capital is an ethical category, not a particular abstract right to ownership. It also has a cultural dimension that is missing from its purely economic notion.

172 Ibid., R151.

173 Ibid., A83.

174 Ibid., P189.

175 Ibid., P199.

176 Ibid.

Hegel was specifically concerned with the alienation of culture, of the products of mind and their transformation into "the category of property in the legal sense".¹⁷⁷ His range of concern in his detailed analysis of alienation goes from artists, authors and inventors to the journeyman artisan.¹⁷⁸ Thus he most particularly addresses the question of the alienation of intellectual labour as that labour which is most peculiarly human. He considers this alienation as capital in "the power to produce facsimiles" and

the option of the original producer of intellectual work to reserve to himself the power to reproduce, or to part with this power as a thing of value ...¹⁷⁹

Hegel's concern is directly with the historical precursors of professional producers, and his notion of capital corresponds most closely to the concept of cultural capital as that peculiar to the intellectual producer.

Alienation in Hegel relates to an affirmative, humanist concept of capital as the accumulation of specifically human labour, which in varying degrees is intellectual. Unlike its treatment by political economy, capital, when seen as a moment of the concrete universal, is an affirmative notion. Because it is not the denial of human labour, this notion is best suited to describe the property that results from

177 Ibid., R43.

178 Ibid., P68 & P69.

179 Ibid., R69.

non-alienated conditions of production. Hence Hegel's notion of capital, as the affirmative alienation of human labour, is one consonant with socialist property forms.

Hegel believed that labour would be affirmative in current property relations if they gained political-institutional recognition as moments of the state. Marx showed that this was impossible because the dominant property relations contained the denial of subjectivity as their immanent principle. Hegel employed alienation as affirmation, whereas Marx saw it as self-denying objectification. Thus, there are two kinds of labour, affirmative, or authentically human labour, and labour that is the denial of oneself. Resulting from this there are two notions of capital. There is cultural capital, which loses its externality when it is the permanent substance of ethical life; and there is the capital of political economy, which remains an abstraction until subsumed under the concrete universality of ethical life.

In consonance with Hegel's affirmative notion of alienation, the notion of capital is introduced in his writings not as an abstraction, the denial of human nature, but as "the embodiment of the substantial personality of the family".¹⁸⁰ The family capital is property that has lost its abstract character and is

transformed into something ethical, into labour

¹⁸⁰ Ibid., P169.

and care for a common possession.¹⁸¹

This capital makes the family into "a universal and enduring person".¹⁸² Capital is the concrete affirmation of an organic moment of ethical life. It is as such that capital may be inverted from an abstract, external and dominating power into a means for the self-conscious comprehension of social relations. It should be pointed out that the 'substance' objectified is not money or property, but freedom. Capital is the embodied substantiality (freedom) of ethical life, which certainly does not mean money-capital freely accumulated through unfettered business activity.

Man is raised to the universal through education. This is more than the absorption of knowledge. It is both theoretical and practical work performed in and beyond the system of social needs.¹⁸³ The universal aspect of work is implicit in the development of the division of labour. Through the development of theoretical and practical mind, the labour process is transformed into machine process. The completion of this development to totality

makes necessary everywhere the dependence of men on one another and their reciprocal relation in the satisfaction of their other needs.¹⁸⁴

There is a dialectical inversion into the concrete:

181 Ibid., P170.

182 Ibid.

183 Ibid., P197.

184 Ibid., P198.

When men are thus dependent on one another and reciprocally related to one another in their work and the satisfaction of their needs, subjective self-seeking turns into a contribution to the satisfaction of the needs of everyone else. That is to say, by a dialectical advance, subjective self-seeking turns into the mediation of the particular through the universal, with the result that each man in earning, producing, and enjoying on his own account is eo ipso producing and earning for the enjoyment of everyone else. The compulsion which brings this about is rooted in the complex interdependence of each on all, and now presents itself to each as the universal permanent capital ...185

Industrial capitalism has created the objective conditions for the mediation of particularity and individuality through universality.

But Hegel's notion of capital still contains the 'fetters' of abstraction, as he would phrase it.¹⁸⁶ Hegel admits that his universal "while concrete, is restricted".¹⁸⁷ In a fully realized concrete totality each moment is a dialectical determination of ethicality. Not truly based on the objectification of self-affirmative labour, Hegel's state lacks true human substance. He assumes an affirmative notion of capital, but he has in fact ascribed an affirmative character to capital in its abstract form, as it actually exists. When liberated from this fetter and brought under the subjective comprehension of the concrete universal, Hegel's ethical life may become the concrete

185 Ibid., P199.

186 Ibid., p.12.

187 Ibid., P229.

realization of freedom.

The highest labour of the modern state, the labour whereby man self-consciously brings himself to a conception and practice of the good, is discourse.¹⁸⁸ The state becomes actual through a process of mediation which in its "simple existence" is language.¹⁸⁹ The universality implicit in the mutual relations of civil society is brought forth and made explicit through discourse and the scientific advancement of discourse. Necessity is not simply material. Freedom is the substance of true human need. Freedom objectifies itself in the self-consciously imposed necessity of a system of right.

The representation of civil society in the legislature through the Estates is the critical organic link that binds the integral ethical community.¹⁹⁰ It is here that free subjectivity objectifies itself into the laws and practices by which it will govern its own behaviour through determining its own necessity. It is through the Estates

that the state enters into the subjective consciousness of the people and that the people begins to participate in the state.¹⁹¹

There is a mutual interpenetration of the objective rationality of the state into the self-consciousness of the people

188 Rosen, G.W.F. Hegel, p.274.

189 Hegel, Phenomenology, P510.

190 Hegel, Philosophy of Right, R301.

191 Ibid., A179.

and of the disposition of the people into the objective life of the state. The Estates are the point of mediation between sensuous subjectivity and its objectification as concrete legality.¹⁹²

Representation in Hegel's Estates is organic. In the Estates, classes - the particular spheres of labour organization - acquire "political significance and efficacy".¹⁹³ Any other form of representation, such as the individual vote, would estrange society from the state. Interest associations would in turn disintegrate, their legitimacy and strength being based on their representative power in the state:

The circles of association in civil society are already communities. To picture these communities as once more breaking up into a mere conglomeration of individuals as soon as they enter the field of politics, i.e. the field of their highest concrete universality, is eo ipso to hold civil and political life apart from one another and as it were to hang the latter in the air, because its basis would then only be the abstract individuality of caprice and opinion, and hence it would be grounded on chance and not on what is absolutely stable and justified.¹⁹⁴

The Estates should represent "the essential spheres of society and its large-scale interests".¹⁹⁵ The universal is concrete; and partial interests, as participants in the

192 Ibid., P302.

193 Ibid., P303.

194 Ibid., R303.

195 Ibid., R311.

universal life of the community, discipline their self-perception to recognize the limited character of their own interests in comparison with the universal interest.

The most beneficial aspect of representative assemblies is their mutually educative effect upon the public and public officials.¹⁹⁶ The officials are informed of public opinion, and the public is acquainted with the procedures and issues of government. This exposure brings the public to a more articulate and informed expression of its own interests and to a more informed understanding of the difference between individual opinion and knowledge of the public good.¹⁹⁷

For Hegel popular sovereignty had substantive life in knowledge. The business of government is an advanced science which cannot be left to the whim and caprice of uneducated opinion.¹⁹⁸ Through the assembly debates and the publicity surrounding them, various interests are mediated because the public learns to discern what is true from what is simply naked self-interest masquerading as high principle. Through this publicity there develops a public discourse on the universal whose objectivity enters into the common sense of public opinion:

Public opinion, therefore, is a repository

¹⁹⁶ Ibid., P315.

¹⁹⁷ Ibid., A183.

¹⁹⁸ Hegel, Philosophy of History, pp.43 & 48.

not only of genuine needs and correct tendencies of common life, but also, in the form of common sense (i.e. all-pervasive fundamental ethical principles disguised as prejudices), of the eternal, substantive principles of justice, the true content and result of legislation, the whole constitution, and the general position of the state.¹⁹⁹

Hegel laid down the substantive conditions for democracy in his analysis of Greek ethical life.²⁰⁰ There must be a common sense of the universal in the self-consciousness of the people. Intellectual culture must be universalized.

A people attains its highest historic development in a scientific discourse that encompasses the entirety of its ethical life.²⁰¹ Yugoslav writers continually single out the lack of legitimacy of a critical discourse on political life as the main reason why self-management does not work. Without a free and open critical discourse, the self-conscious direction of social relations is impossible.

The development of an accessible and comprehensible legal discourse is a necessary condition for the self-conscious direction of a social formation. The subject of a concrete legal discourse is not the bearer of formal right, but is a self-conscious member of society as a member of one of its substantial moments, an organic association. His rights and duties pertain to him as a particular determina-

199 Hegel, Philosophy of Right, P317.

200 Hegel, Philosophy of History, p.252.

201 Ibid., p.76.

tion of the concrete universal. He is recognized by the legal system in terms of his own self-determination in the work that he performs. But for this system to be concrete, the actual work that he performs must be an affirmation. His labour activity must transcend all abstraction and become a moment of concrete species-activity. To understand how this could happen, one would have to engage in a dialectical analysis and critique of those relations which fetter human labour with abstraction. This was the life-long labour of Karl Marx.

Ethical life is the condition of concrete totality wherein self-consciousness is affirmed in all the various moments of socio-political life. The logic of Hegel's political system may be applied to the project of attaining an integral self-governing society. The key to the concreteness of the universal life of the community is corporate association which actualizes both personality and the universal project for human self-determination.

Problems in the Yugoslav system are usually conceived as those of practice. The model is said to be correct; but the participants have not come to a full knowledge of it, and precise means to implement the model have yet to be worked out. The analysis of Hegel's notion of political/ethical life as a concrete universal reveals a deeper problem, one of conception. In the Yugoslav model of self-government human self-determination is to occur in

communities of small or humane proportion. Though there is mediation through the delegate system up to higher levels, the particular level, the commune, where work and living communities are integrated into a substantial living community, is recognized as the locus for human self-determination. In actual fact, ethicality is formally imparted by national administrations.

Concrete freedom is the actualization of human potential in a concrete totality of self-affirmative human activities. These activities may be truly affirmative when ethically mediated into the universal life of the community as a whole. Otherwise they are exposed to the contingency of the market and other conflicting relations. Critical to this development into concrete totality is the freeing of subjectivity at the individual level. When informed by an objective discourse on the universal, and mediated into the universal through participation in one of its particular organic moments, this free subjectivity becomes an individual instance of human self-determination. Only then is the universal truly living; only then is it concrete, as free subjectivity fulfilled, determining itself at the level of the totality of the relations in which it lives.

Ethical life is the identification of the individual with the totality of social life through a series of mediations which affirm and develop individuals, particular communities and the universal community. The ethical

universal is grounded in the subjective conviction, or will, of the individual. This will and universal are both realized in the activity of particular communities. But within a dialectical system, each realization implies a potential negation through the further development of self-critical discourse on the universal. There is a dialectical inversion whereby the internalization of the universal transforms the individual. This, in turn, transforms the substantive basis of the universal which, in the activity of particular communities, establishes the objective basis for the next internal motion in the dialectical self-transformation to true human community.

This dialectical system depends upon the concrete generalization of self-critical capacities. These may be developed by an organically based, independent intelligentia. The effect of many independent research and publishing centres on an active public should be to raise political life to self-conscious scientific activity, or to Reason..

The actualization of ethicality depends on corporate mediation. The meaning of corporate mediation into concrete universality is best understood within the general notion of particular universality. Hegel develops this concept best in his own specialized field of philosophy. Each successive philosophy must incorporate, or sublate, all previous philosophies.²⁰² Earlier philosophic systems encompass only

²⁰² Hegel, Hegel's Logic, P13.

a part of the whole of the truth. The limited nature of a particular medium, or discourse, is its own implicit negation.²⁰³ As moments of a truly dialectical universal, particular associations turn universal Reason in upon the particularity of their specialized activities.

Freedom is actual when it is universal and necessary. A project to realize free universal activity as our true human substance must exist in the specific, hence limited, activities of individuals and particular communities. Concrete freedom develops its content in the ethical corporate articulation of universally self-conscious associations of self-affirmative labour. But this universal development is more than the organic growth of knowledge. The substantive basis of this articulation and development is an historic epochē, a world-historic experience which totally undermines the limitations of the new producers' instrumental rationality and creates the real possibility for their transcendence of class particularity to establish a higher universality.

Knowledge is the personal possession of the universal. Non-estranged property is both personal and social. A society that recognizes knowledge, both as the main impetus to growth and as the true measure of the human results of this growth, may be the post-industrial socialism that will follow capitalism. But as merely instrumental knowledge, on

203 Ibid., p15.

the pattern of the epistemology that Hegel negated, this socialism will re-establish estrangement. Professional producers must experience an historic epochē that will give them the "heart", the substantial universality, to transcend instrumental reason and their particular class interests. The new, educated, producer had an experience of epochē in the late 1960's. This was summed up in the world-historic events of 1968. It continues to live in the changed Left, the ecology movement and the transformed relations between men and women. This epochē, like the Enlightenment, established a new mood, but to realize concrete freedom this class subject must work to make this new mood a reality in an epochē of actuality like the French Revolution. If the new producer acquires the capacity to recognize the internal limitations immanent in his particular organic associations with respect to concrete universal humanist ethicality, then the necessity governing his activity may become the actualization of concrete universal freedom. But the realization of such self-consciousness is not a merely intellectual endeavour. It depends primarily upon a political struggle which transforms the concrete class characteristics of professional producers.

The New Producer and Socialist Self-Management

1. Introduction

Yugoslav social critics have defined the crisis of self-management as that of the estrangement of substantive from formal relations. From the perspective of the concrete universal, this must mean more than a sharp difference between real and projected relations. Form and content are mutually determined. Yugoslav self-management is flawed in both conception and practice. The formal system of direct democratic relations is not inherently concrete. It leaves determination to particular interests, thus undermining universal ethical direction. The bureaucratic degeneration of all formal relations results from the attempt to establish an affirmative social formation on the substantive basis of the denied proletarian subject. Self-management must be conceived as a mediated concrete ethical totality based on a system of affirmative social labour.

Form and content mutually determine each other, but the actuality of a form exists in its substance. For Hegel, true universal human freedom is realized in the universally self-conscious subject, as a participant of one of the organic moments of a universal that internally determines free self-actualization as its necessity. For Marx, the economic substance of capitalist exploitation determines and limits the ethicality of liberal democracy. The advance of universal principles of right depends on the substantive

transformation of social relations toward true universality. This advance, however, is implicit in the relations of capitalist production. Capital, by its own motion, generates the substance and creates the conditions for its own negation and for the real establishment of universal principles of right.

While capital posits wealth as the appropriation of alienated surplus labour time, it creates more and more free disposable time. This may be applied to free self-actualization, the true human wealth as opposed to capital:

[Capital's] tendency [is] always, on the one side, to create disposable time, on the other, to convert it into surplus labour. If it succeeds too well at the first, then it suffers from surplus production, and then necessary labour is interrupted, because no surplus labour can be realized by capital. The more this contradiction develops, the more does it become evident that the growth of the forces of production can no longer be bound up with the appropriation of alien labour, but that the mass of workers must themselves appropriate their own surplus labour. ...

For real wealth is the developed productive power of all individuals. The measure of this wealth is then not any longer, in any way, labour time, but rather disposable time.¹

Marx's critique of capitalism sought the concrete implicit in capital's abstract relations. This implicit concrete, or true reality, is specific labour engaged in production. Labour time's real existence is a specific subjective activity.² Capital's human essence, made

¹ Karl Marx, Grundrisse (New York: Vintage Books, 1973), p.708.

² Ibid., p.171.

explicit, should bring an inversion wherein the totality of social relations is determined by this inner human side. But while Marx analyzed the estrangement of this human activity into commodity-money objectifications, he did not understand that true human objectification necessarily has a real existence in the particular organic communities of a concrete ethical totality.

Hegel and Marx share a critique of capitalism and liberal democracy as abstract universals, but whereas Hegel criticized the abstract mediation which estranged the participatory subject from political life and which left the economy 'free' to move from crisis to crisis, Marx criticized mediation itself. For Marx, alienation arises out of the necessity for mediation imposed by the division of labour. Marx's theory of human liberation is held back by this abstraction.

For Marx, non-alienated relations are immediate. The universal is posited directly in the individual. Estrangement is superseded as the necessity for intervening particulars is superseded, i.e. when "the social character of production is presupposed".³ But such a purely substantial condition is an abstraction and a sheer impossibility beyond an immediate community such as the ancient polis. Social relations are concrete precisely through mediation. Only through particular organic communities may our species

³ Ibid., p.172.

character of free universal self-conscious being come to life as a self-determined, self-reproducing totality.

Marx, however, did grasp the essence of affirmative social labour with his notion that general or universal labour must "be posited from the outset as a link in general production".⁴ Such is proletarian labour as an infinitesimal part of the final product. But Marx could not admit that this labour, abstract from the outset, could only attain abstract universality. It has no intrinsic dimension which, for itself, would bring the totality of relations under the direction of universal humanist ethicality. Marx's other universal activity is that of the scientist who creates, potentially, universally accessible knowledge. But no specific activity can be immediately universal. The intellectual producer has a particular organic existence in a certain discourse community. This particular universality must be mediated into a higher universal community both for its knowledge to be universally accessible and to be the true internal actualization of our free universal being.

Hegel's ethical life is not concrete because its spheres of particularity and individuality are not truly the actualization of the concrete idea of freedom. Marx's socialism cannot be concrete because practical reason is missing from his notion of universal labour. Hegel's notion of the immanent development of will, as the self-actualiza-

4 Ibid., p.171.

tion of the ethical Idea, relates to the problem of the lack of the true universality of professional producers. The abstract universality of their technical orientation to work and organization represses the particular universality of the humanist intelligentsia and of the working people. These people are the negative substance, from above and from below, or the sociological substantive basis, of an objective critique of the repression inherent in the limitations of technobureaucratic activity.

2. Limitation in Hegel and Marx

For both Hegel and Marx a scientific analysis produces objectively true statements at the level of universality or totality. Marx applies the Hegelian notion of objectivity in his critique of capital. His use of the word "general" may be directly linked to Hegel's universal. General labour has an objective quality implicit in its universality. It is objective labour. Capital is an abstract universal, corresponding to the sciences and the state of the Understanding. In capitalism objective labour is an abstraction. According to Marx, this abstractness derives from the necessity of this labour to be exchanged through an external, abstract medium and thus to give rise to an external totality. Our objectified labour is reified since this external totality cannot concretely affirm our objectified human capacities. But this totality is in contradiction with itself, for it cannot recognize its own true human

substance. Its negation implies universal human liberation.

Scientific labour is the activity of positing the universal. It does not need to be exchanged through an external medium to be objective. Marx believed that human community, as a concrete totality, would be established on the basis of this directly universal labour. Marx erred, however, in his notion of the concrete universal. He posited an immediate relationship between the individual and the universal. Marx should have known from his analysis of exchange value relations that it is precisely the direct positing of a universal measure in the individual that leads to abstraction.

This abstraction may be corrected by remembering Hegel's notions of self-actualization and of the concrete. For Hegel the universal is actualized in the individual and the individual is actualized as a universal, hence free, being. But this actualization occurs as he concentrates himself, by participating in the division of labour. Marx, on the other hand, saw the division of labour as the necessity underlying man's estrangement from his universal self. In a truly concrete universal, however, actualization occurs in particular communities of common interest which are moments of the universal community. In particular, self-actualization occurs as a member of a professional association which is not a guild or a union, but a self-consciously universal community which, while concentrating

itself on its own specialized development, also dialectically turns the ethical universal back onto itself to judge and to govern itself as a member of a concrete, universal human community. A universal community, self-mediated through its particular associations, is the true, concrete conception of socialism.

There was one singular flaw in Hegel's reintegration, recorded as an observation in the Philosophy of Right: the constantly recurring crises that produced mass poverty and unemployment on one side, and tremendous wealth and waste on the other.⁵ Marx saw that money and markets, human creations and activities, lead an independent objective existence of their own as if they were governed by natural laws. While economists study these relations as external phenomena, their essence or true interiority is man himself. The crises would end when man self-consciously controls economic life as the externalization of his own activity.

Hegel and Marx share a concept of human liberation as the human transcendence of abstraction:

What lies between reason as self-conscious mind
and reason as an actual world before our eyes ...
is the fetter of some abstraction ...⁶

Abstraction is a fetter on freedom. The negative freedom of the Understanding is caught in the abstraction of dependence

⁵ P (Paragraph) 244, P245, P246 and A (Addition) 149.

⁶ Hegel, Philosophy of Right, p 12.

upon the contingency of the market and an external, merely contractual, state. Truly free will is self-determined:

its object is itself and so is not in its eyes an 'other' or a barrier...⁷

Freedom has a concrete life in objectively expressed laws substantially existent in the autonomous practices of individuals and communities.⁸

Hegel and Marx both see the self-organization of society as the substantive basis of a truly human ethical totality. Following Rousseauan radicalism, Marx believed that the abstraction implicit in the political state would be transcended by direct, face-to-face, relations. While this could establish an immediate substantive community, on a massive scale, it would be a step backwards from concrete universal human community. Hegel correctly saw that the concrete must be a self-mediated totality which brings universal ethicality to life in free communities. In his system of Corporations, Hegel tries to combine administrative regulation from above with government "in a concrete manner from below".⁹ He wanted to combine centralized administration with the free self-government of concrete associations.¹⁰

7 Ibid., P22.

8 Ibid., A175.

9 Ibid., P290.

10 Ibid., A174.

Hegel and Yugoslav socialists both seek the integration of civil and political life into a concrete totality. Both see the abstraction of bourgeois order, wherein self-government does not have a real life in living communities. Both see that self-government must have a substantive basis in the intellectual development of the individual. But Hegel's system shows the abstractness of Yugoslav agreement, or contract, socialism and the abstractness of communities based on the value recognition of non-affirmative labour. Hegel described direct democratic, free associational self-government from below, as found in the Yugoslav system, as "the quintessence of shallow thinking".¹¹ Such a system leaves the whole of society, everyone and every community, subject to the contingency of contract.¹² Self-interest, not practical ethicality educated to a self-consciousness of the universal, dominates both as the basic motivation and the fundamental universal principle of the system as a whole.

Abstraction is the estrangement of form and content. The abstract viewpoint separates ideas from the world, "while in the comprehensive thinking of Reason the content produces its form from itself".¹³ Hegel associated abstract

¹¹ Ibid., p.6.

¹² Ibid., R163.

¹³ G.W.F. Hegel, Philosophy of Mind (Oxford: Clarendon Press, 1971), Z (Zusatz)467.

thinkers with the Understanding, while Marx associated abstract thinkers with idealists and crude materialists and dismissed Hegel as an idealist. In contrast with abstract science, for which necessity is an external force, Hegel saw that concrete science demonstrates "the rigorous form of the necessary self-development of the content".¹⁴ From this perspective one could not say that, while self-management is a good theory, there are problems of implementation. Nor could one comment that socialism is good in theory, but not in practice. As Hegel comments:

With this defect of the form there is necessarily linked the despiritualization of the content.¹⁵

A limitation in form limits substance, and a limitation in substance limits form. This mutual limitation is transcended through speculative thinking transformed into political action. The speculative thinker determines the immanent motion of the content to a higher form which internally develops this content.

Marx's abstract understanding of the mutual actualization of form and content may have resulted from his immersion in the actual conditions which he observed. In capitalism superstructure and base are estranged and the individual relates immediately to an abstract universal. Marx saw inversion within this abstract dichotomy. But the

14 Ibid., Z379.

15 Ibid., Z378.

mutual interpenetration of form and content necessitates a terrain of mediation, wherein essence and appearance are brought to reconciliation. The concrete cannot be attained through the bare counterposition of opposites.

A concrete universal actively creates itself through determinations of particularity and individuality. In Hegel's ethical life subjective will is mediated with the objective order through the action of the ethically motivated self-conscious subject.¹⁶ This free self-conscious subject develops immanently through this action. This is concretely how the ethical universal determines itself as necessary in the particular communities which reproduce the totality of relations.¹⁷

In Hegel's system a concrete universal may exist at various levels of actuality. In his logic he distinguishes the concrete Notion from the more concrete Idea. The sphere of politics as a whole is a realm of actuality below art and philosophy. Thus it should not be surprising to find that Hegel's ethical life, though concrete, is still fettered by abstraction. Hegel's state was not fully concrete, not a self-determining human totality. It was to some extent this 'actual state', but it was also, to use Hegel's phrase, "the state as it actually exists".¹⁸

16 Hegel, Philosophy of Right, P142.

17 Ibid., R279.

18 Ibid., p.5.

Hegel's system of needs is fundamentally set on the abstract universality of money-commodity relations. Though his Corporation is based on the ethicality of concrete self-affirmation, this recognition is limited by the totality of market relations which, ultimately, the Corporation must obey. Hegel's Corporation was also limited to a talented and privileged few. Substantively self-affirmative work and participation in the universal determination of ethical life were restricted to the dominant classes.

But Hegel's presentation of the actually existing in terms of the actual was not the conservative philosophical defence of given relations. His work was fundamentally critique. Hegel's political writings were banned. His philosophy spawned revolutionary criticism. By making the actual explicit, the speculative thinker implicitly demonstrates its necessary negation into something higher. This intellectual comprehension is essential to the mediation of the actual and the existent:

The teaching of the concept, which is also history's inescapable lesson, is that it is only when actuality is mature that the ideal first appears over against the real and that the ideal apprehends this same real world in its substance and builds it up for itself into the shape of an intellectual realm. ... The owl of Minerva spreads its wings only with the falling of dusk.¹⁹

Man is free when he becomes actually what he is potentially.

¹⁹ Ibid., p.13.

I am entitled to the union of my potential
and my actual being.²⁰

But a self-conscious being must have knowledge of its goal in order to realize it. The owl of Minerva flies when the actually existing relations and the actual, the projected ideality of given relations, are turned in upon each other and mutually determined by the concrete universal for human liberation.

The explicit comprehension of a project's objectifications should demonstrate its internal limitation. Self-consciousness of such limitation defines the next action to be taken toward human liberation:

The very fact that we know a limitation is evidence of our freedom from limitation. ... We make ourselves finite by receiving an Other into our consciousness; but in the very fact of our knowing this Other we have transcended this limitation.²¹

For the individual and particular community, the knowledge of limitation leads to the concentrated labour of self-actualization. These limited spheres cannot actualize their potential for free self-development without finding their specific talents and concentrating all activity on their specific development. The individual is not free when liberated from all specialized activity, as Marx thought. An individual is actualized as an individual, in a particular sphere of activity. The immediately universal indivi-

²⁰ Ibid., A43.

²¹ Hegel, Philosophy of Mind, Z386.

dual, of which Marx wrote, could not affirm his individuality in any particular objectification.

On the other hand, limit is contrary to the principle of universality. Knowledge of limitation is criticism and a call for the negation of this false universal. But human freedom has its real existence, is actualized, in the limitations of particularity and individuality. This is precisely why universal ethicality is implicit in the differentiation and division of labour of civil society.²² The limitation to be transcended here is that which inhibits the specialized development of individuality and particularity as organic moments of a concrete social formation motivated by a project for universal human liberation.

3. Marx's Concrete Critique of Capital

From the whole of Hegelian philosophy Marx mainly appropriates Hegel's theory of history. For Hegel the development of human mind is a historical-dialectical process. Marx applies this historic logic to an analysis of the development of human community, of its dissolution as an immediate community, and of its reaffirmation as a universal community.

In the first human communities, living and productive activities were integrated, for the most part in household activity. Most things were produced at home, and if slaves were used it was predominantly for household needs.

²² Hegel, Philosophy of Right, A116.

Production for the market, facilitated by money relations, broke down this community. Mind was sundered apart as human activity and human community were sundered apart. Man's mind fell into an estranged condition as his productive activity became estranged. Social activity broke into distinctive parts - religious, political, economic.

The first phase following the original oriental condition, that of the Persians and Greeks, was the happy childhood of western civilization. As a child is not that far from the experience of the womb and the security of the parental relation, theirs was a dialectical though unified condition of ethicality as simple objectivity. This Greek phase has served as the ideal of both the radical and the socialist notions of democracy. But unknown to Marx, Hegel's critique of direct democracy showed such an ideal to be an error which denies the principle of an internally motivated and self-consciously objective system of self-government. Such a non-mediated totality, in the massive conditions of modern political life, abstracts ethicality into an external and implicitly class-biased universal.

In the Roman world, the dialectic swung sharply towards estranged objectification. Similar to the bourgeois state of the Understanding, it was a material, spiritually empty world, dominated by abstract legality. This is Hegel's study in alienation. The connection to Marx's use of the term proletarian is obvious. Hegel called the Romans the

spectators of history. Their system of slavery estranged them from the production of their own life, which became for them some external object. In the Christian epoch the dialectic swung sharply in the opposite direction. The material world was regarded as profane. Pure human existence, the good, could only be found in a purely spiritual life. In this epoch mind retreated into the internal abstraction of subjective morality.

The current bourgeois epoch is defined by Hegel in cultural-ethical terms. In this period, dominated by cultural tendencies from the west- and north-European peoples, mind, human community and human activity began a reintegration on a higher level of rationality and organic life. In bourgeois civil society, burgerliche Gesellschaft, productive activity began to take place within the corporation. This modern community corresponds to the polis which gives the individual a social identity and social recognition but, unlike the polis, only as a moment of a higher totality. Like the happy Greeks, mankind was again entering into a condition of synthesis. Subjective and objective, internal and external were being mediated into a concrete totality in which our subjective powers gained an objective life in professional working communities, in the embodied universality of industrial production, and in rationally conceived universal systems of right.

Whereas Greek ethicality was closed and static, modern

ethical life is concretely dialectical, with an immanent motion to true human universality. According to Hegel and Marx, this social formation is driven by a dialectical push toward concrete universality implicit in the system of need generation and satisfaction. The objectification of free self-consciousness is immanent in the system of social needs and social labour. But this fantastic human self-objectification, according to Marx, was being reified in the form of capital. Man, liberating himself as he objectifies himself in the world, had trapped himself in commodity fetishism; human relations had assumed the form of relations between things. In liberating himself from nature, man had lost control over his own species-character. To liberate himself from this abstraction, the objective and subjective sides of his species-life must be reintegrated into the concrete totality of the objective life of human self-consciousness.

Marx analyzed the concept of money from its development out of exchange relations to its completion in the abstract totality of capital. In the beginning the household was the focus of productive and consumptive activity. Households formed into small communities which exchanged with each other but on the basis of a generalized reciprocity whereby the accounting of what precisely was given was not yet conceived. Exchange proper, in the form of barter, first began on the boundaries of these communities.²³ Exchange as

²³ Marx, Grundrisse, p.873.

barter is the abstract concept of money. The idea of the exchange of equal value was held in mind but had no substantial existence. This came later when metals, as durable, easily quantifiable and universally valuable materials, began to play the role of money as medium of exchange.

Money, as a substantial moment, is inverted into an objective self-reproducing totality when it is posited as the beginning and end, source and purpose, of the production process. This occurred when the physical dissolution of feudal communities set vast numbers of feudal retainers 'free' from land and from property, a development which also coincided with the dissolution of the guilds by merchant capital. The merchant, rather than being an intermediary who represents the totality of commodities to potential buyers, also becomes the producer by hiring this free labour to produce his products for sale. In the capital/wage-labour relation, money is the premise of production. Production is for exchange, but once productive capacity is posited as a commodity, money no longer represents the exchange of equivalents.

Money develops from an abstract concept in the head as barter, to substantial existence as copper, then silver and then gold, to abstract subject, money for-itself, as an abstract totality. As subject reproducing itself, it is self-mediated, but as the denial and lack of recognition of its actual human subjective substance, this mediation is

abstract.

Capital is exchange-value that has been inverted into an independent totality of estranged objective relations through this totality's negation of human subjectivity.²⁴ Capitalism begins when production is posited as a moment of circulation, as a moment of money's own self-determination. Labour, rather than being the activity of self-determination, is inverted into its opposite, "self-estrangement".²⁵

In capitalism the human substance of community is objectified as money. The work of the individual for the community gains recognition as money. Affirmation as a social subject is not concretely self-fulfilling in human terms. This community is not a community per se, only an economic community, a community of capital, a mere abstraction. The ground of intersubjectivity is the objective expression of value in the form of money. There is recognition between equal subjects, but the recognition is only of equal amounts of money. The terrain of recognition is not objective or universal self-consciousness, but an abstract external world. Socialism is the inversion of this ground into a human or concrete universal. The precise meaning of this inversion, never explained by Marx, may be found in a reading of Hegel's Philosophy of Right.

24 Ibid., p.274.

25 Karl Marx, 'Economic and Philosophic Manuscripts', in Marx-Engels Collected Works (New York: International Publishers, 1967), p.275.

Marx used the notions of abstract and concrete totality to pierce the main ideological veil of capitalist society, the notion that money is the source and end of all wealth. This ideological perception masks relations of exploitation by presenting the totality of relations as based on just, free and equal, exchange. Anyone has the opportunity to apply himself to making money and thus to become rich. But underneath the universal right to invest money and to receive an incrementally greater amount than that invested lie relations of exploitation. Putting one's money to work, as the expression goes, is in actuality putting someone else to work for you. Through the anonymity of the market, especially stock and other investment markets, one does not see oneself as dominating or harming anyone. One's money, in itself, is productive. It creates value. But if one's money is productive, it means in actuality that someone is producing for you, that you are expropriating from them the product of their labour.

Capital's substance, however, is objective human labour. Capital is an ideological universal. Its substance is actually that which develops into a concrete universal, our objectified creative capacities. It hides this from itself through an abstraction that masks the exploitation of the real producers. For capital to be concrete, it must be a mediated synthesis of its immanent content as human creative powers.

For Marx, the "point of origin" of criticism is Hegelian dialectic.²⁶ Marx criticizes capital from a perspective of concrete totality that focuses on the development of the forces of production. He describes "dead capital" as "indifferent to real individual activity".²⁷ The root of ideological distortion is the occlusion of the most actual relations. These, for Marx, are production relations, particularly the relations between labour and capital.²⁸ With this most essential activity estranged from the totality of man's being, other species-activities lose their quality as human. Even though private life has the appearance of freedom, when it is separated from creative activity as a social moment it is reduced to the animalistic level of consumption as an external activity.²⁹

In capitalism ideology enters the social material relations of society. This is why political economy's simple presentation of the facts is ideological. In criticizing the ideology of the political economists Marx was not criticizing a system of knowledge, but the material relations of capitalist exploitation. Capital's substance, true to itself, is objective human powers, but it recognizes this abstractly as wages paid out. This is capital's

26 Ibid., p.233.

27 Ibid., p.236.

28 Ibid., p.273.

29 Ibid., pp.274-75.

central mystification and the root of exploitation in the ideological material life of capitalist society. Negativity, the dialectical power of man to objectify himself, is the unpaid labour from which the capitalist profits. The creative capacity of labour in production is the dialectical power of self-consciousness to preserve and raise the value of the given materials of production.³⁰ The unpaid labour that produces surplus value results from the employee's abstract recognition as value when what the capitalist gets in return is something actual, the use of the subjective capacity of the worker. With this creative capacity posited as capital's own, capital is creative in all of the moments in its cycle of reproduction as a totality - hence the fetishism of political economy.

When Adam Smith and English political economy recognized labour as the essence of wealth, they implicitly recognized its authentic basis in human subjectivity. Grasped in essence as labour, private property began to develop on its internal side, as the objectification of subjectivity.³¹ When labour becomes recognized as the essential source of all wealth, private property strips off all particularity to become the single dominant abstract totality as industrial capital. But, as such, it is property in contradiction with itself, with its internal

³⁰ Marx, Grundrisse, p.362.

³¹ Marx, 'Economic and Philosophic Manuscripts', p.290.

side driving its fetishistic side toward inversion into concrete totality.

The labour theory of value is the abstract recognition that subjectivity is the authentic source of all wealth. Scientific socialism, in its most elegant formulation, is the inversion of the labour theory of value into the concrete recognition of subjectivity - recognition in its fullest individuality, particularity and richness of content. The downfall of capitalism comes when the producer recognizes that the activity of human subjectivity objectifying itself, not the capitalist's money, is the true source of wealth.

Capital recognizes objective human capacities as external to the material forces of production when in fact they are the true source of the productivity incorporated into machinery. Human self-actualization is posited as external, even antithetical, to wealth. With wealth robbed of its true human substance, capital's abstract cycle of reproduction denies human self-actualization which, in an ethical totality, would be both the premise and result of the cycle of production and reproduction.

Marx's actual or true universal is species-being. This notion appears to be strictly Hegelian:

Man is a species-being, ... because he treats himself as a universal and therefore free being.³²

32 Ibid., p.275.

As in Hegel's writings, universality has proceeded first on the side of reification:

The universality of man appears in practice precisely in the universality which makes all nature his inorganic body ... Nature is man's inorganic body ...³³

Marx sees, like Hegel, that authentic species-activity is universal, hence fundamentally intellectual, labour. With reference to intellectual labour, Marx correctly employs the concrete not to mean direct association and face-to-face relations:

when I am active scientifically, etc. - an activity which I can seldom perform in direct community with others - then my activity is social, because I perform it as a man. Not only is the material of my activity given to me as a social product (as is even the language in which the thinker is active): my own existence is social activity, and therefore that which I make myself, I make of myself for society and with the consciousness of myself as a social being.³⁴

Property in its original form, as a species concept, was simply the recognition of nature as man's own extended body, as the condition for his production and reproduction.³⁵ Man originally relates "to the earth as his workshop".³⁶ According to Marx, this original concept develops historically into species-property as this appropriation of

33 Ibid., pp.275-76.

34 Ibid., p.298.

35 Marx, Grundrisse, p.491.

36 Ibid., p.492.

nature becomes scientific.

As a species-concept property is,

the relation of the working (producing or self-reproducing) subject to the conditions of his production or reproduction as his own.³⁷

This may occur:

(1) when its social character is posited, (2) when it is of a scientific and at the same time general character, not merely human exertion as a specifically harnessed natural force, but exertion as subject, ... as an activity regulating all the forces of nature.³⁸

But such a conception of socialism fails to consider the ethical self-development of the human subject. This is the essential dimension of the inversion by which the universality of the scientific-technical revolution becomes an objective moment of human self-determination.

Men manifest their authentic nature as they create a human community,

which is no abstract universal power opposed to the single individual, but is the essential nature of each individual, ... Hence this true community does not come into being through reflection, it appears owing to the need and egoism of individuals, i.e., it is produced directly by their life activity itself.³⁹

Here Marx uses the notion of concrete as an internally motivated universal. But a problematic defined by the

³⁷ Ibid., p.495.

³⁸ Ibid., p.612.

³⁹ Karl Marx, 'Comments on James Mill,' in Marx-Engels Collected Works Vol.3 (New York: International Publishers, 1967), p.217.

socialist critique of political economy limited his inversion into the concrete to the objective side of taking control of the forces of production. The question of the internal, the subjective ethical development of the new subject that will direct these forces, and to what concrete ethical purpose, was not developed by Marx's theory. With only abstract statements on this most concrete question, Marx's thought can quite easily become the ideology for a dominant class that directs the totality of relations from the perspective of technocratic management.

For Marx, the most actual universal labour is that of the sciences which harness nature to industry.⁴⁰ Marx analyzed man's self-estrangement from his own species, or universal, nature as estrangement within the process of production.⁴¹ Because production is the objectification of species-life,

therefore, estranged labour tears from him his species-life, his real objectivity ...⁴²

Because production is the essential moment of self-estrangement, of the denial of self-determination,

the emancipation of society ... is ... the emancipation of the workers ... because the whole of human servitude is involved in the relation of the worker to production, and all relations of servitude are but modifications and consequences of this relation.⁴³

40 Marx, 'Economic and Philosophic Manuscripts', p.303.

41 Ibid., p.276.

42 Ibid., p.277.

43 Ibid., p.280.

Capital has appropriated our inorganic body as the universal self-estrangement of social production. Marx believed that self-estrangement would be transcended by self-determination when industry is brought under self-conscious direction.

Marx called the division of labour "the economic expression of the social character of labour within the estrangement".⁴⁴ In Hegel's concrete universal the individual is affirmed in the universal through his contribution to the labour of particular substantial communities. Society can only exist, as a society with human substance, through the division of labour. It is precisely the affirmation of this labour by a self-conscious universal that actualizes man's species-character. While Marx discovered the true substance of a concrete totality in affirmative labour and property, he did not develop this into a concrete conception of socialism because he did not understand the role of the division of labour in the self-actualization of the concrete universal.

The concrete is substantial knowing or formal substance. The concrete is subjectivity in objective form. Man, as a free self-conscious being, according to the Hegelian dialectic, creates himself through a series of historic projects that develop him to the point where he may self-consciously affirm himself in the world. The end of this historic activity is man's own self-determination in

44 Ibid., p.317.

the truly human wealth of fully developed personality as a universal subject.

In Marx's analysis, production is regarded as the sphere of potential actualization and circulation as the estranged objective relations into which this has been cast. Because production is the dominant moment, the totality of relations is ultimately determined by the mode of production.⁴⁵ In the statist interpretation of Marx, the distinction between the base and the superstructure, between the economy and the state, is abstractly posited to conceive the transcendence of estrangement as the domination of the political over the economic, of the state over the economy.

Contrary to this statist interpretation, Marx himself correctly saw that socialism arose out of capitalism's tendency toward dependence on universal, or scientific, labour and out of its existence as a totality which produces, however abstractly, the social individual. The contradiction that overthrows capitalism is that, at a certain point, wealth can advance only if the specific concrete characteristics of labour are recognized by society organized as a concrete universal. As the scientific-technical revolution advances, growth is centred more and more on the mediation between the creators of culture and the consumers of culture who, if there is to be any growth, must expand their capabilities simultaneously.

⁴⁵ Marx, Grundrisse, pp. 106-7.

Capitalist relations are negated when the substance of the mode of production is objectified human powers integrated into a concrete totality of socio-political life. Social wealth attains a new meaning as part of a higher ethical order. It is multi-dimensional and directly human as the affirmation of objectively developed human capacities. Rather than being accumulated into an estranged totality, objective activity becomes a moment of an affirmative totality, of the accumulation of self-actualization or praxis.

4. Capital's Inversion into the Concrete

Capitalism began and posits itself as a system of production based on individual private property. As it developed, its production became social in nature not merely as the grouping of large numbers of workers together in the process of production but, more importantly, as the application of knowledge to production.

If the subjectivity objectified in a particular product is expressed as labour time, this particular labour time must be transformed into general labour time to be compared to any other particular product. The necessity of this external measure implies "the existence of an independent and external money-subject".⁴⁶ Where particular labour time is evaluated with general average labour time, even in the form of a direct labour time measure with a moving scale of

⁴⁶ Ibid., p.168.

indices,

the social character of production is posited only post festum with the elevation of products to exchange values and the exchange of these values.⁴⁷

Where subjectivity, here expressed as labour time, is posited as universal only in the act of exchange, and not in the production process itself, the subject cannot help but be estranged from the totality of relations which must, of necessity, assume an estranged and objective form.⁴⁸ But the universal that Marx posits as premise and result does not ethically determine the totality of relations. It economically determines the totality of production relations. Marx grasped the essence of the social totality, but not the new totality that should determine this essence.

Capital is the moving contradiction because production is social and ownership private. The substantively social character of the means of production is in contradiction with the private ownership of the bourgeoisie. But this contradiction holds the possibility of an inversion into a concrete totality of relations, affirmative for each and every individual.

Where "the social character of production is presupposed", mediation is not external to the subject but takes place in

47 Ibid., p.172.

48 Ibid., p.171.

the social conditions of production within which the individual is active.⁴⁹

The explicit recognition of the social character of production transcends the necessity, and for Marx the estrangement, of exchange:

The labour of the individual is posited from the outset as social labour. Thus, whatever the particular material form of the product he creates or helps to create, what he has bought with his labour is not a specific and particular product, but rather a specific share of communal production. He therefore has no particular product to exchange. His product is not an exchange value.⁵⁰

But concretely affirmative labour must have a definite organic existence as a particular moment through which a social system determines freedom as its own internal necessity. Immediate recognition is an abstraction. Recognition as a free universal subject is an objective ethical determination.

In a market system the direct labour of the individual is posited as social only in a product to be exchanged. Thus the social moment of individual labour has an estranged objective form, i.e. commodity relations. But in the system of industrial production constituted on its own basis, that is, where,

the conquest of the forces of nature by the social intellect is the precondition of the productive power ... the labour of the individual in its direct presence [is] posited

49 Ibid., p.172.

50 Ibid.

as suspended individual, i.e. as social labour.⁵¹

This production abolishes the necessity of exchange in order to posit production as social. According to Marx, the labour that develops advanced technology is universal even when done alone. But the general social labour of scientific and intellectual communities has a particular organic and social class existence. It is not immediately universal, but limited by the particularity of its work.

Marx considered capital to have,

two forms: manufacture and large-scale industry. In the former the division of labour is predominant; in the second, the combination of labour powers (with a regular mode of work) and the employment of scientific power, where the combination and, so to speak, the communal spirit of labour is transferred to the machine etc.⁵²

They belong to the same totality because they fall under the same principle of the collective concentration of workers under a single capital.⁵³ Marx's method ultimately judged theory with respect to empirical observation. Living prior to the full maturation of capital, Marx directly observed capital's progress through the transfer of detail labour to machine process.⁵⁴ Marx did not study the relations which are essential to the development of science and machines.

51 Ibid., p.709.

52 Ibid.,, p.585.

53 Ibid.

54 Ibid., p.704.

If the scientific development of the forces of production is truly the hallmark of industrial capitalism, then this productive activity must have a particular organic existence as a social class.

According to Marx, the development of the capital social relation presupposes a certain level of the technological development of the productive forces. Capital, specifically, is the scientific development of machinery, as the objectification of scientifically managed mass labour into an external totality:⁵⁵

capital has posited the mode of production corresponding to it ... when fixed capital appears as a machine within the production process, opposite labour; and the entire production process appears as not subsumed under the direct skilfulness of the worker, but rather as the technological application of science.⁵⁶

In its most adequate form,

it is the machine which possesses skill and strength in place of the worker. ... The science which compels the inanimate limbs of the machinery, by their construction, to act purposefully, as an automaton, does not exist in the worker's consciousness, but rather acts upon him through the machine as an alien power, as the power of the machine itself. ... The production process has ceased to be a labour process ... [but is] subsumed under the total process of the machinery itself ... objectified labour confronts living labour ... itself as the power which rules it ... 57

55 Ibid., p.529.

56 Ibid., p.699.

57 Ibid., p.693.

The development of knowledge, in turn, had been shaped by capital's need to transform labour processes into machine processes. For capital to reproduce itself and continually to advance the forces of production, it must be objectively reabsorbed by the 'social brain'.⁵⁸ This is the internal side of the objective motion toward universality, the building up of man, or Bildung, which Hegel emphasized. But here it is limited to the development of a technical rationality and, hence, may become the ideology of the technocracy.

In a concrete totality, the individual is affirmed as a universal subject both through the acquisition of knowledge and through his affirmation as an agent of cultural development. In these conditions, according to Marx, the abstract antithesis between labour and free time, in which labour is considered only productive if it is labour for capital, disappears.⁵⁹ The cycle of production posits human capacity as its premise and final end. Free time transforms the subject, who "then enters into the direct production process as this different subject".⁶⁰ The free affirmation of individual subjectivity in turn reflects into production to advance the powers of the forces of production.

But Marx's totality is not mediated by the organic

58 Ibid., p.694.

59 Ibid., p.712.

60 Ibid.

particularity of a concrete universal. Marx saw the truly concrete in terms of qualities meeting qualities:

Assume man to be man and his relationship to the world to be a human one: then you can exchange love only for love, trust for trust, etc. ... Every one of your relations to man and to nature must be a specific expression, corresponding to the object of your will, of your real individual life.⁶¹

Marx posited the transcendence of alienation as the direct relation of the individual to the universal.⁶² The universal, however, is concrete only as self-differentiated, or as determined in its various moments of organic particularity.

The individual is not actualized directly in the work of the universal. He leads an organic existence in a specific discourse community. He obtains the objective recognition of the universal through this particular community's participation in the universal.

5. The New Producer as the Subject of Socialism

For Hegel and Marx the objective analysis of political life is essentially class analysis.⁶³ Class identification is the substantive basis of social consciousness. One's consciousness of society is essentially that of one's class. Marx believed that true human community entailed an end to the domination by which the interest of a particular social class determines the totality of relations. He

61 Marx, 'Economic and Philosophic Manuscripts', p.326.

62 Marx, Grundrisse, p.832.

63 Hegel, Philosophy of Right, R308.

posited the end of class domination as the end of classes.

Marx defined class according to the dominant abstractions that divide human community in any particular historic epoch. Marx's class analysis focused on the objective development of abstraction throughout history. But his final stage is also an objective abstraction. Human community, as a concrete totality, must have internal division, but not that based on the cleavage of abstraction. The actualization of an ethical concept necessitates its organic particularization.⁶⁴ Human community, as a concrete totality, must have class division, but in this case "classes" are to be seen as particular determinations of the project for universal human self-actualization.

Marx called the relation between expenditures on means of production and expenditures on labour power the organic composition of capital. This relation was to show the intimate relationship between the growth of labour productivity and the development of technology. But capital, though it mediates itself through the particularity of competing capitals, is an organic totality fettered by the abstraction of its human content. Capital posits itself as the source of new value, as if money itself had the power to create more money. The real source of new value, the variable factor of living labour expenditures, is the human subject in social reproduction.

⁶⁴ Hegel, Philosophy of Mind, P525.

Hegel's business class is a corporate holder of capital, but capital is an abstraction only when estranged from the determination of an ethical totality. The ethical totalities of the family and the Corporation are implicitly "the union of freedom and necessity".⁶⁵ Unlike abstract capital, capital here is essentially the objective, organic expression of human self-actualization.

From Hegel's notion of corporate capital may be derived the principle that capital, as a self-conscious determination of the human totality, must have a particular organic existence in communities of self-actualization. The 'organic composition' of this capital would be determined by the practical judgement of how much the diverse and manifold communities of the system of needs both actualize the capacities of their members and contribute to such actualization as a general principle.

Capital is the objective expression of ethicality when held by a mediated community above the contingency of contract and self-interest. Ethicality begins through finding oneself in an other. Marriage is a fundamental ethical union bound by a mutually affirmative dialectic of recognition:

though marriage begins in contract, it is precisely a contract to transcend the standpoint of contract, ...⁶⁶

65 Hegel, Philosophy of Right, P265.

66 Ibid., R163.

The organic basis of family capital is the human family. Its cycle of production is that of human beings. The family recognizes the human basis of real wealth:

While in their goods their unity is embodied only in an external thing, in their children it is embodied in a spiritual one in which the parents are loved and which they love.⁶⁷

The family's triadic moments are the grand-parents - the universal in ideal, and the singular in actuality; families - sphere of particularity, hence, of actualization, in the education of the children; grand-children - the many or universal in actuality, and singular in the sense of their ethical development to universal self-consciousness.

The dialectical progression of the family is a priori, organic and self-conscious. It describes the basic motion of objective cultural regeneration. The absolute, or those who come first, determine the ideality of the totality. Children are the living internal side of the family estate. The motion is not simply organic but that of subjectivity objectifying itself in the educational development of successive generations. Though an organic human community, with an immanent dialectical motion of human objectification, as an immediate ethical community based on the substantive ethicality of love, the family is exposed to the contingency of feeling. It cannot be the ethical terrain of the free self-conscious subject.

67 Ibid., A110.

A concrete universal is moved by the immanent development of freedom. Freedom is our true internal nature above the merely external exchange of objects which satisfy contingent needs and desires:

I am only truly free when the other is also free and is recognized by me as free. This freedom of one in the other unites men in an inward manner, whereas needs and necessity bring them together only externally.⁶⁸

When free subjectivity is grounded on itself,

the distinction between subject ... and the controlling power of subject ... has vanished ...⁶⁹

The state, as an external coercive force, "withers away".

Mankind will be free when its existence is according to its concept as free universal being.⁷⁰ Self-determination is objective and actual through an other, hence on the terrain of externality and difference.⁷¹ An ethical universal for human self-actualization really exists and is necessarily articulated through particulars and individuals:

Genuine actuality is necessity; what is actual is inherently necessary. Necessity consists in this, that the whole is sundered into the differences of the concept and that this divided whole ... perpetually recreates itself in its dissolution.⁷²

68 Hegel. Philosophy of Mind, 2431.

69 Hegel, Philosophy of Right, P152.

70 Ibid., R57.

71 Hegel, Philosophy of Mind, 2382.

72 Hegel, Philosophy of Right, A162.

A universal is necessary when human need ceases to be dominated by an external other, the object, and instead becomes an internal determination.⁷³

Free will is the activity of making our human potential actual. It wills the universal, the infinite, as its content.⁷⁴ Will is a "self-mediating activity" which advances through self-determination and the supersession of this determination.⁷⁵ Will is free self-actualization, or praxis,

a special way of thinking, thinking translating itself into existence, thinking as the urge to give itself existence.⁷⁶

But this development of will is essentially an internal building up of oneself, or Bildung, whereby mankind develops the implicitly rational self to explicit and objective rationality.⁷⁷ Rationality is true universality. Rational comprehension strips necessity of contingency,

and, conversely, it at the same time develops the subjectivity into the form of objective rationality. Thus our Knowing, which was at first abstract and formal, becomes a Knowing that is filled with a true content and is therefore objective.⁷⁸

73 Hegel, Philosophy of Mind, Z384.

74 Ibid., P469.

75 Hegel, Philosophy of Right, R7.

76 Ibid., A4.

77 Ibid., A9.

78 Hegel, Philosophy of Mind, Z445.

The individual truly actualizes his potential when he wills the realization of ethical universality.⁷⁹

True self-government depends on a process of the development of our inner being, of the education of particularity and individuality to universal self-consciousness. This substantive development is necessarily articulated into social classes. The practical education of the will to the self-actualization of the ethical idea necessarily develops through the Corporate mediation of the partial interests into true universality.

An ethical order is necessary when grounded on the immanent impulse of free self-consciousness to realize itself according to its concept.⁸⁰ In Hegel's system class, rather than being the source of abstraction, is the substantive basis of the self-organization of society. The organic particularity of civil society develops into a class system which, when explicitly recognized, may be mediated into concrete totality.⁸¹ Self-interests tend to associate, hence to supersede self-interest and develop into a particular universal, or a class interest.⁸² These particular universal communities may become the organic basis of the actualization of human potential. The capital of such ethical

79 Hegel, Philosophy of Right, A12.

80 Ibid., P147.

81 Ibid., P201.

82 Ibid., P251.

associations would be the objective expression of the regeneration and development of human potential.

Recognition merely as a private person, and not as a member of one of the organic moments of an ethical totality, is an abstraction.⁸³ Concrete recognition demands substantive ethical being. An individual has "substantive being" as a member of "some specific social class".⁸⁴ This substantive being is raised to ethicality in the Corporation, wherein recognition according to developed capacity is severed from the contingency of monetary gain or of reward according to work.⁸⁵ Bildung is the development of the substantive basis of ethicality, of the universal as an impulse or basic human need.⁸⁶ Man transcends the contingency of need through the development of his intellectual nature. For this truly to occur in the Corporation, the work of the individual must have a substantively affirmative character, which raises him to true universality through his own activity within this community.

Advances in culture come free of charge to capital.⁸⁷ This is because capital's abstract system is unable to give concrete recognition to substantively human qualities. As a

83 Hegel, Philosophy of Right, A130.

84 Ibid.

85 Ibid., R253.

86 Ibid., P28.

87 Marx, Grundrisse, pp.694-95.

product of truly human labour, such advance may not be calculated in value terms. The growth of the productive power of labour involves another objectification, in the organic life of professional communities. The wealth-producing power of capital increases as the knowledge and capacities of a people increase. But its abstract measure of wealth gives only an external monetary value which occludes the true wealth of cultural objectification.

In the most brilliant passages of the Grundrisse, Marx states that capital's historic destiny is to develop the scientific capacities of society as a whole and to apply these to its own reproduction.⁸⁸ This is the substantive basis of its own reproduction which encounters its fetishistic form of wealth as a barrier.⁸⁹ Marx postulates as necessary to the growth of capital,

the development of a constantly expanding and more comprehensive system of different kinds of labour ... to which a constantly expanding and constantly enriched system of needs corresponds.⁹⁰

the development, hence, of the natural sciences to their highest point; likewise the discovery, creation and satisfaction of new needs arising from society itself; the cultivation of all the qualities of the social human being, production of the same in a form as rich as possible in needs, ... production of this being as the most total and universal social product ... hence cultured to a high degree - is likewise a con-

88 Ibid., p.325.

89 Ibid.

90 Ibid., p.409.

dition of production founded on capital.⁹¹

This particular train of thought appears to be consistent with the whole development of the notebooks as they progress toward the concluding portions. It would predict not the impoverishment of the producer and capital developing solely on the basis of the accumulation of machine-like labour, but the producers' enrichment into a new community of scientific and intellectual producers and cultural accumulation on the basis of our developed species-character. From this line of argument one may develop a conception of socialism as the liberation of our objective human powers.

With the growth of constant capital and of machine process production, proletarian labour declines. But at the same time dependence of production on the objectification of our subjective capacities in organic systems of knowledge increases. The necessary labour posited by advanced capitalism becomes more and more that of the intellectual producer. The absolute decrease in proletarian living labour signifies the relative decline of this class and the emergence of a new class, a reskilled and more affirmed producer. Like the traditional proletariat, this class is estranged by capitalist relations. It undergoes a process of fragmentation and relative deskilling when forcibly integrated into capital's reproduction process.

Capital exploits this new class, but as an educated and

91 Ibid.

cultured class, it is more self-conscious of its human productive powers and their place in the totality of relations than any previous class in history. In the tradition of the old proletariat, it knows or relearns from experience the parasitic and irrational character of production solely for the sake of profit. Unlike the proletariat and like the bourgeoisie, when it developed from middle class to ruling class, it is self-reliant. Whereas the bourgeoisie possessed capital, this class possesses the objectification of human powers in organic communities of knowledge. This objectification represents the objective possibility of the negation of the reification which characterizes purely capitalist development. But the transition to socialism is not the external motion of an objectification. It depends on the self-consciousness of this new producer. Without a concrete means to turn the ethicality of socialism in upon itself, this new producer will give rise to a new dominant class.

The new producer may be affirmed as a universal subject in his work for society as a member of an organic community of a concrete universal social formation with self-determination as its immanent and final motivation. The self-determination implicit in professional work is raised by the dialectic of Hegel's Corporate mediation which brings universality, or ethicality, into the particular discourse communities of intellectual producers. The

relations between this class and the traditional proletariat are problematic, but they cannot be solved by levelling the professional into the proletarian. The totally denied subject, though certainly aware of humanity through loss, cannot be the subject of an affirmative social order. Though the intellectual producer should be constituted as the subject of socialism, in order to be truly universal his initial project should be the raising up of the traditional proletarian into a self-conscious producer.

6. The Self-Consciousness of the New Producer

The traditions of the intelligentsia are particularly strong in central and eastern Europe. Here the obvious disenchantment with proletarian socialism has projected the intelligentsia as a social class that strives to transform the totality of relations. Its self-conscious action may produce the first political system to ground itself on the relations of post-capitalist, post-industrial society. In Yugoslavia the system of socialist self-management was first conceived as a mode of proletarian self-government. Yugoslav Marxists recognized that the worker, as a state employee, is necessarily subjugated by an administrative apparatus. Their system posits the worker as an independently associated producer. But though posited in this affirmative manner, the substantively negative character of the labour process, in which the producer still works as a proletarian, makes this system fail. It is now coming to be

recognized that the substantive relations of the self-management system must be professional work made concrete through the self-conscious comprehension of the totality of relations. As Hegel's politics show, the substantiality of self-managed work may be brought to concrete totality through the mediation of a concrete corporate moment, which both affirms personality through social recognition and brings the universal to life through this concrete affirmation of individuality. Unfortunately, this project is very difficult in a peripheral world market country with high unemployment and severe problems of structural imbalance.

Marx penetrated to the root of the exploitation of the proletarian. He saw through the lie that money is the source and end of all wealth. But his critique was negative rather than speculative. He did not see that the special position of scientific, technical and intellectual producers may gain organizational and social class expression. As an intermediary class, their self-consciousness may be external, gravitating between identification with the administration, business or organized labour. Or it may be internal, recognizing one of its own fractions as best representing its interests as a whole. The humanist intelligentsia has historically been the most universal fraction of this class, both in the sense of representing the interests of intellectual work as a whole and in the sense of seeing the injustice and lack of self-determination for those less fortunate

within a given set of social relations.

The tendency to date has been for the new producer to be led by its technocratic fraction. This fraction justifies its domination over the other fractions and society as a whole by its more efficient management of the economy. Will the new producer become the technocracy, a new ruling class, or will it become a particular organic subject of a concrete universal wherein human affirmation is both the premise and the result of social activity?

The new producer would regard intellectual self-development as the highest wealth. Being self-conscious, the new producer would recognize applied developed subjectivity as the impetus and result of all human advancement. It is doubtful that this class, self-consciously in power, would merely step into the shoes of the capitalists in order to manage industry with profit as the bottom-line consideration. Given its preferred conditions of work and the appropriation of the political/ethical development of all ages as its heritage, it may be supposed that, if led by its humanist fraction, the new producer could become internally motivated into practical activity that generates the social objectifications of a concrete ethical totality.

Marx's vision of socialism, as involving the self-conscious direction of the forces of production, could quite easily become an ideology for technocratic domination. The subsequent Marxism of the scientific-technical revolution

school reduced socialism to the mere 'accounting and control' of production. This is precisely technocratic ideology which occludes domination by viewing society from the single objective of technological organization. The rationality of this discourse justly and systematically organizes the means, but its merely technical orientation excludes in principle, as 'unscientific', ethical considerations. The ethical project to establish the creative development of the human subject on its own ground as a concrete universal is forgotten. The positivist scientific management of society actually completes the estrangement of our species-nature into externality by integrating man as 'human capital' for the forces of production.

The concrete derives from our species instinct to strive for the universal. This universal is ideological to the extent that conditions, and the interests that develop therefrom, limit the apprehension, and hence the actualization of, the universal. Both Hegel and Marx saw that what we now call scientific-technological revolution means the objective dissolution of these limits. In the philosophy of the concrete, this means the one-sided dissolution. The dissolution contains an internal limit in its antithetical relationship to the development of subjectivity. In his critique of the ideology of political economy, Marx situated determination in relations determined by the development of the forces of production, but he defocalized the subjective

powers most critical for this motion, the objective, organic practices of new producers engaged in mental labour.

Ideologies redefine particular interests as universal right, and in their most opaque form, as natural social systemic phenomena. But ideologies themselves provide the ground for critique in that their false projection of the actual generates an internal tension.⁹² Ideology is self-grounded, but at the same time it hides this grounding from itself because the interest that it stands on lacks the universality that it claims. The portrayal of a particular interest as universal is the root of an ideology's lack of reflexivity or self-consciousness, of its irrationality. For Marx, an ideology was a scientific apprehension of reality which falsely believed itself to be autonomous through the occlusion of the class perspective of the viewing subject.⁹³ He believed that his own identification with the radical or negative class excluded ideological distortion from his own critique.

A class opposed to the ruling class does not oppose the dominant class as a particular class, but opposes a social formation wherein the particular interests of the ruling

⁹² Alvin Gouldner, The Dialectic of Ideology and Technology (New York: Oxford University Press, 1976), p.223.

⁹³ Ibid., p.12.

class have been abstractly universalized.⁹⁴ Ideology transposes class loyalty into system loyalty. Marx and Engels defined revolution as a struggle to transform the totality of relations because the totality defines the meaning system by which people voluntarily comply with the interests of the dominant class.

Ideological perception takes a fragmented and distorted whole and reorders it according to relations of proportionality. The special relation of the dominating part to the whole is pulled out of focus, placed into the background. Its particular interest becomes the project of the whole.⁹⁵ To provide the moral basis for the solidarity necessary to mobilize the whole around its narrow interest, this becomes the implicit, underlying, background upon which are set seemingly egalitarian and just social relations. Ideologies legitimize a distorted whole by presenting it as integrated. All social relations are balanced and functional. The purpose of these functions, the really interesting question, and the justice of that purpose, are never critically investigated by an ideology.

The strength of distortion is a function of how much that part's contribution to the whole is magnified and how much its privatization of the whole is occluded.⁹⁶ But the

⁹⁴ Karl Marx and Frederick Engels, The German Ideology (Moscow: Progress Publishers, 1964), pp. 60-63.

⁹⁵ Gouldner, The Dialectic of Ideology and Technology, p.250.

⁹⁶ Ibid., p.285.

relation between ideology and partial interest is not completely one-sided. A contradiction between a part and the whole is a perceived contradiction. The expectations that the ideology fosters are in part the source of contradiction.⁹⁷ In the countries of "actually existing socialism", the ideological pretension that all relations are egalitarian, when in fact they are hierarchical, provides the main stimulus for ideological production.⁹⁸

The development of hegemonic domination through formal rationality culminates in technocratic rule.⁹⁹ This rule appears neutral and systemic only because the interests of the hegemonic class are imperatives above the system and are occluded within the logic of systemic relations.¹⁰⁰ While non-ideological in that subjectivity is entirely occluded, technocratic rule is the most absolutely ideological form in that it delegitimizes any self-conscious investigation into its own grounds. It establishes itself as the ultimate truth by formulating its occluded project in the factual reports of positivist science.¹⁰¹ The science that observes the world without observing the observer, which does not consider problematic the rational

97 Ibid., p.289.

98 Ibid., p.289.

99 Ibid., p.251.

100 Ibid., p.240.

101 Ibid., p.251.

groundings of science itself, when put into political practice as the scientific organization of society, produces a dominant ideology in which there is apparently no ideology, no class contradiction, no structural distribution of power, and the political is limited to technical questions of relative cost-effectiveness:

The old Saint-Simonian vision, in which the control over persons would give way to the administration of "things", appears on the horizon. The trouble, however, is that among the "things" now to be "administered" are persons.¹⁰²

This final actualization of unreflexive thought in social life would be the ultimate estrangement of man from his own self-conscious species-nature.

This lack of self-consciousness in the social system generates a contradiction exposed in systemic crises. Technocratic ideology is assimilated by the system's leading elements, but its unconscious elements, its merely positive components, its working human automatons, have no self-conscious loyalty or motivation. They are consumers whose system loyalty depends on a certain, and increasing, material standard of living. A crisis in the system of production dissolves this loyalty.¹⁰³ Further, the exclusion of the recognition of the development of universal self-consciousness from the system generates anomie which may

102 Ibid., p.254.

103 Ibid., p.262.

stimulate the acceptance of an ideological movement to overthrow the system or, what is quite visibly occurring in the U.S. and elsewhere, a regression into pre-Enlightenment consciousness. The first surge of positivist enthusiasm brought a romantic reaction, but its main consequence was to bring the people back under the direction of the pulpit.

But the technocrat, however co-opted, is simultaneously a member of an organic intellectual community. His own self-conscious need for meaning would begin to make a so-called value-free system problematic for him:

If we divest ourselves of any notion of instrumental rationality as a Geist-like, disembodied wraith, and see it instead as part of the occupational culture of experts and technicians who constitute a specific status group with status interests they wish to protect and advance, and for which they require political allies, it then becomes clear: technicians and experts are forced to go beyond instrumental rationality, and to generate a larger morality.¹⁰⁴

The sheer growth in size of the technical intelligentsia and of the institutions which foster this growth, is alone enough for it to develop some corporate or social identity. This awareness of themselves as social actors will begin to make problematic their social action and bring the need for some ethical system through which to form judgements.

The ecology movement may be seen as a nascent technocratic ethicality.¹⁰⁵ Stimulated by concern generated

104 Ibid., p.269.

105 Ibid., pp.271-72.

primarily in the biologic fraction of the scientific community, the scientific community as a whole has begun to challenge the logic of production for its own sake or of continual advancing personal consumption as the unquestioned basis of all social action. They see that the absolute pursuit of these goals is undermining the very fabric of life itself on this planet. From the core notion that there is an ethicality implicit in nature itself, a whole system of ethicality may develop which, if still positivistic, at least differentiates itself as a value system. This may begin to bring the new producer to internalize a universal self-consciousness above any particular, merely technical, concerns, that is, if it can make itself problematic and so engage in an internal dialogue with its more philosophically minded humanist fraction.¹⁰⁶

The socially recognized property of professionals, by which they gain a special differential income, unlike the capital of the propertied middle class, cannot take the absolutely abstract form of money-capital. It demands a certain organic existence in living institutions and associations. It is also more particularly organic in that individuals have to attain certain qualities, as recognized by their institutional and associational environment. This property then, in the Hegelian dialectical sense, is

¹⁰⁶ Alvin Gouldner, The Future of Intellectuals (New York: Oxford University Press, 1979), p.43.

concrete, but not fully concrete given the abstraction to partiality in its social existence. But as rational and organic, and inherently human, this property, when brought to self-consciousness - to holistic ethical self-knowledge - may become the substance of a concrete social formation. This property is concrete human affirmation in the context of political practices whereby the objective totality of an integral system of production is comprehended by the universal self-conscious mediation of interest conflict.

The interests of professional workers have an organic life in the values of institutional and associational structures.¹⁰⁷ The autonomy of new producers is grounded,

in the specialized knowledge or cultural capital transmitted by the educational system, along with an emphasis on the obligation of educated persons to attend to the welfare of the collectivity. In other words, the ideology of "professionalism" emerges.¹⁰⁸

As ethical, associational, and substantially grounded in labour, professionalism is a value system out of which may develop the ethos or ethicality of a socialist self-management system:

The New Class thus embodies any future hope of working class self-management and prefigures the release from alienated labour.¹⁰⁹

Applying Hegel's notion of Bildung, the professions are

107 Gouldner, Dialectic of Ideology and Technology, p.132.

108 Gouldner, The Future of Intellectuals, p.19.

109 Ibid., p.20.

objective systems of practice, based on the subjective desire and capacity to control one's work and work environment. These professions are the internal, objective side of the drive to the universal, hence of the free and self-conscious determination of our existence.

The notion of professionalism as the internal side of socialist self-management has been brought into Yugoslav theory by Rus and Arzenšek. In Marx's theory, property and the division of labour are a consequence of the alienation of labour, but the precise relation between property relations and the division of labour is ambiguous.¹¹⁰ Marx studied an economic system that can recognize only abstract labour. Operating from this premise, Marx concluded that the determining factor in the organization of work is the desire to raise relative surplus-value. This drive is decisive in determining the division of labour and the direction of production.¹¹¹

Marx's analysis of capitalist society did not pay sufficient attention to the growth and differentiation of professions. Despite the massification of work processes, capitalism did not stop the development of professional labour.¹¹² This gap in Marx's writings left professional

¹¹⁰ Veljko Rus & Vladimir Arzenšek, Rad Kao Sudbina i Kao Sloboda (Zagreb: Sveucilisna Naklada Liber, 1984), pp. 33-4.

¹¹¹ Ibid., pp. 44-5.

¹¹² Ibid., p.207.

work outside the sphere of revolutionary theory and the professional worker outside the strategy of revolutionary parties.¹¹³ Now that a significant and growing fraction of working people are engaged in intellectual labour, Communist parties have been left with no definite orientation toward the most efficacious and politicized fraction of the producers.

The new producer is both the self-management class and a flawed universal class in that it is privileged and demands a privileged income. In this respect it is not radically egalitarian. It prefers a society wherein access to income is a function of one's formal education.

As a social class struggling for ascendancy, the new producer would project an ideology for the reconstruction of totality, on behalf of the whole people. Marx wrote that the working class represents, in itself, the totality of exploitation in capitalist society. Fractions of the new producer, while constituting themselves as the representative of the proletariat, have also advanced their own position through the expansion of public services and education. The basic ethical proposition of socialism, "from each according to his ability, to each according to his work", while projected on behalf of the proletariat, would in fact establish a system wherein people would be recognized and materially rewarded according to the institu-

¹¹³ Ibid., p.209.

tional recognition of educational qualifications and the systemic importance of their function.¹¹⁴ The particular interest of new producers becomes the universal, absolute, ethical proposition for the social formation. This universal would be authentic to the extent that the new producers become sociologically universal and to the extent that they are willing to make themselves problematic by questioning both the application of the principle and its universal validity.

If access to consumption and power in socialism is proportionate to one's labour contribution, and if the labour of the new producer is worth much more than that of the traditional proletariat, then a class-like cleavage on this basis would not contradict the fundamental ethical proposition of socialism. A transitional social formation can hardly be without some contradictory relations. They are themselves an indication of motion. A cleavage between the old and new working classes, and their organizational forms, would be expected as a consequence both of developmental push and of the transformation of the class in-itself as it moves from a subordinate and determined position to self-determination.

In a rapidly developing society the difference would be generational as well as social. In Yugoslavia, structural dislocation has generated the new producer as an intel-

¹¹⁴ Gouldner, The Future of Intellectuals, p.20.

lectual proletariat to a large extent unemployed. As in other countries, youth are those most exposed to the absurdity of existing social relations. Many have moved to the intellectual sphere of labour. They have been raised potentially from the realm of necessity to freedom,¹¹⁵ but there is no labour for them to perform. They are unemployed, under-employed, or receive a low salary rapidly reduced through inflation. The system has responded on the usual pattern of reducing places. This will alter the current proportion of old and new working class, but it will not alter the secular tendency toward the diminution and near extinction of the traditional proletariat.

Organizational differentiation is especially important in Yugoslavia for the analysis of social class differentiation. The dominant class has two contending fractions, the "socialist" administration and the technocracy. Županov studies the development of classes as a consequence of interest conflicts within organizational hierarchy. According to Županov, within the administrative structure, the politically appointed, high-level socialist bureaucrat is in a political block with the unskilled workers at the base of the organization. Self-management is an alliance between the non-professional political upper management and the non-professional, and poorly educated, line workers against the middle management technocrats who, through their

115 Hegel. Philosophy of Right, P194.

competence and skill, actually run the organization. Professionals see this terribly inefficient proletarian form of self-management as illegitimate.¹¹⁶ But Županov's pro-technocratic orientation implicitly argues that professional workers should move from a privileged position to a dominant position in the system of production.

Rus and Arzenšek view the question of relations between new and old producers in practical organizational terms. It is the conflict between professional associations and trade unions. The solution is not simply to make professional associations into unions and so to incorporate them into the workers' movement. This would be the organizational culmination of industrial society's decomposition of professional work into mechanical labour, the new deskilling, transforming the professional into the narrowly specialized technician. The orientation should instead be to bring trade unions up to the level of professional associations, to raise the worker up to the professional.¹¹⁷ Trade unions are simple defensive organizations that represent the workers against the employer. They have neither the orientation nor the capacity for the collective self-organization of work.

The traditional working class does not play a leading role, nor does it desire a leading role, in Yugoslav

¹¹⁶ interview in Zagreb, December 1984.

¹¹⁷ Rad Kao Sudbina i Kao Sloboda, p.266.

socialist self-management. It desires social mobility through education. People in manual, working-class positions are those unable to secure an education that would give them a better job.¹¹⁸ Yugoslav workers see themselves in transition, developing into professional self-managing producers; and it is these producers that should play a leading role in the organizations of associated labour.

According to Rus and Arzenšek, the workplace social relations of self-management should resemble collegial control through professional ethics. The growth and intensification of professional labour is not simply an adaptation to the unhindered growth of the scientific-technical revolution. It is essential for the development of self-management society. Self-management relations are modelled on the ideal of professional labour wherein those competent in a field mutually affirm each others' labour:

Professional activities are, consequently, simultaneously like a relic of preindustrial society and the prototype for the organization of work in postindustrial and postcapitalist societies.¹¹⁹

This kind of labour has been disturbed by the large bureaucratic organizations of industrial society and can be affirmed again in a self-governing, post-industrial society.

The ethics of professionalism, with self-determined

¹¹⁸ Neca Jovanov, Dijagnoza Samoupravljanja (Zagreb: Sveucilisna Naklada Liber, 1983), p.87.

¹¹⁹ Rus and Arzenšek, Rad Kao Sudbina i Kao Sloboda, p.263.

activity as an intrinsic value, are the implicit substantive side, the esprit de corps, of the development of the individual through the recognition of his work, as in Hegel's Corporation. Like Marx's proletariat, this new producer may have an historic project if its social existence is an experience of total negativity that challenges the totality of existing relations. Unlike the proletariat, however, it represents the whole of humanity - not as humanity negated, but as the negation of the negation, as humanity affirmed through the establishment of the central social utility of self-affirmative labour. This new producer is not simply a negative substance, but an educated and self-conscious subject in which negativity has been developed in various capacities and, in particular, in the capacity to control the process of social reproduction.

The contradiction between the growth of capital as a directly human factor and the production relations of capitalist society, manifests itself in structural unemployment and in other crises. This contradiction also penetrates the working class and the workers' movement as the contradiction between the traditional manual working class and scientific-technical and intellectual producers. The split is both generational and organizational. The traditional proletariat and its industrial unions are diminishing in size and importance relative to professionals and their corresponding professional associations. The

producer is being reskilled and adopting a new political orientation. The fundamental orientation to work is professionalism. Work has an intrinsic aspect of self-determination in that it increases in productivity to the extent that it is self-affirmative. This labour is the substantive basis of a social formation with self-determination as its ethical project.

The main contradiction of the old societies, of capitalism and statism, is the relative overproduction of new producers. They are unable to absorb and to apply the creative and intellectual capacities, developed and developing in new producers, into meaningful work and forms of social and political participation. The irrationality of spending long years in training to find no job available for one's skills, or simply no jobs available, is an experience common, and becoming more so, to all working people. This unemployment of their creative capacities generates their greatest alienation from the dominant systems and is the main issue around which they unite in opposition to both capitalism and statism.¹²⁰

7. Conclusion

Hegel's philosophy shares with Marxism a critique of contemplative materialism. The mediation of self-consciousness and actuality is not the gradual adaptation of knowledge into an ever more detailed picture of the objective

¹²⁰ Gouldner, The Future of Intellectuals, pp.66-7.

world. Reason is active, making itself in the world. Actuality is transformed by reason and reason by actuality. This reconciliation of self-consciousness and actuality depends most on the self-conscious determination of man's socio-economic being. In historic terms this mediation is the development of socio-political life into a concrete totality.

Both Hegel and Marx view man as a species with an immanent drive toward universality. Man naturally strives for freedom and truth. His capacity for truth is based on his nature as a free self-determined and self-creating being. In the current historic epoch, this drive to universality is at the centre of our social being in a socially self-conscious system of needs. But this system of needs is marred by exploitation, inequality, and recurrent crises of relative overproduction.

Marx's theory focuses on the immanent mediation of subject and object through the development of the forces of production. The mediation develops to concrete totality as universal labour becomes both the substance and end of the forces of production. Man is for himself when his social objectifications are self-consciously determined. Man's transformation of his forces of production reflects into himself to form his socio-economic being. But the subjectivity immanent in the forces of production may determine contingency only as an organic moment of a concretely

ethical human totality. The theoretical reason of the scientific producer must be ultimately determined by the practical, or ethical, reason of a concrete universal which brings the ought of its ethical project to life through theoretical reason as a means to this end.

Marx tended to narrow the meaning of self-actualization to objectification in man's technological relationship with nature. Marx neglected the internal side of the objectification whereby the drive to the universal develops objective, knowledge-based practices in organic working communities. Marx's theory of the reproduction of the species through social labour and of the political struggle of classes toward universal human liberation occluded this particular organic side of scientific, cultural and ethical progress. Hence, his critique of political economy could be made into a technocratic ideology.

Marx employed Hegel's notion of human liberation as inversion into the concrete. Man frees himself from abstraction when his external development is determined as a means toward the fulfilment of our internal development. This internal building up is the counterpart of the external development of the forces of production, reified into capital. The socialist ethical project for universal human self-determination is realized through the inversion whereby objectification affirms our subjective powers. True universal labour has an organic life in particular communi-

ties based on the division of labour. True freedom and universality is actualized in individuals as they participate in the ethical life of communities, determined as necessary moments of a dialectical political system which mediates the project for human liberation through its objectifications.

Marxism, to the extent that it sees the objective as existing independently of a dialectic of self-consciousness, may serve as a technocratic ideology. Marxism will overcome its positivity by taking the critique of all existing conditions as its central project. This would transform Marxism into a "self-developing totality".¹²¹ With the objective viewed as an objectification of the project, as a determination and limitation, the actually existing is turned into an objective critique of the project which should mutually transform the project and its practical implementation.

¹²¹ G.W.F. Hegel, Encyclopedia, P19.

Agreement Socialism

1. Introduction

Socialism, even 'scientific socialism', implies an ethical project, whereas capitalism, its antithesis, implies bare economic relations. The ethicality of socialism may be forgotten in countries pursuing rapid industrial growth, and right-wing ideologues may try to draw an equation between capitalism and democracy, but in most advanced countries elements of socialism and capitalism mutually co-exist with socialism giving an ethical dimension to an economic system more or less unconcerned with ethics. In modern, largely secular, cultures, ethical questions have become the practical business of the state with this ethicality borne primarily by social-democratic parties.

The economic estrangement of capitalism is complemented by the political estrangement of socialist ethicality into alien state administrative relations. Socialists have so far only been able to direct capitalist production relations toward statist, or state administrative, relations. The state administration completes capital's monopolistic logic by subjugating the whole of a nation to a universal state capital as its wage labourers. In this limited transition, the self-governing dimension of the socialist project, the dimension for individual and social self-determination, has been lost. If socialism is to become a concrete totality, it must negate the wage relation and the capitalist market

to obtain an inner life in which individuals and associations freely develop socialism as the product of their own free self-conscious action.

According to Yugoslav socialists, an integral ethical system, a self-governing society that determines itself as a concrete totality, should spontaneously reproduce itself in its production relations. Its substance must be self-consciously directed production relations mediated into a self-conscious totality. But their emphasis on free spontaneous development is one-sided. The economic relations of capitalist society are, in a negative sense, free and spontaneous, but because particulars meet only in exchange the totality of relations, the aggregate of these exchanges, is beyond free decision and self-control.

Marx did not develop his critique of abstract totality into a theory of political estrangement. When the Yugoslavs attempted to put his notion of the concrete as face-to-face relations in immediate communities into practice, the result was an estranged political totality in which formally free democratic relations masked the real domination of republican and communal political bureaucracies. This apparently radical democracy, in which particulars hold to their particularity as a basic right of self-determination, gives the bureaucracy a free rein and leaves the totality of political life beyond anyone's control.

2. The Commune State

The ideal human economic condition is one wherein each works for himself while working for others. This principle, which undoubtedly derives from the anarchist strain of the workers' movement, holds both for the projected values and the actual practice of contemporary Yugoslav socialism. Self-management was at first abstractly conceived as the principle that the direct producers, and those most directly concerned, should manage production as an immediate community. These communities would bind themselves, both internally and externally, through social contracts. But contractually based immediate communities are an abstraction both in theory and in the practical conditions of modern production. The result has been a situation in which particular self-interests contend in an environment externally determined by technological and abstract economic imperatives.

A self-governing society of associated producers, bound together by contractual relations, was first proposed by P.J. Proudhon in his The Principle of Federation.¹ Proudhon saw proletarian self-government as the completion and universalization of liberty through the negation of the right to exploit labour. According to Proudhon, liberty reaches its fullest development with the universalization of federalism as an organizing principle. This system of

¹ (Toronto: University of Toronto Press, 1979).

government he called anarchy.²

The political economy of anarchism recognized two fundamental principles:

1) that the greatest volume of work is done and the greatest value produced where the worker is free and works on his own account as businessman or farmer; 2) that the quality of products and services is improved where the producer knows his work and devotes himself to it exclusively.³

Anarchy, in its pure form, is a social order that "arises from nothing but transactions and exchanges", in which "political functions have been reduced to industrial functions".⁴ Freedom is conceived negatively as freedom from government, as relations of a purely contractual and economic nature.⁵ The substance of these relations is mutuality, but Proudhon's mutuality had a liberal contractual, not a concrete universal, form.

Proudhon's system is a continuation of the "juridical, rationalist, and liberal principle".⁶ His federation was the Rousseauan social contract, whereby each member gets back from society at least what he puts in, with no social obligation beyond what has been contracted.⁷ The contrary

2 Ibid., p.11.

3 Ibid., p.19.

4 Ibid., p.11.

5 Ibid., p.20.

6 Ibid., pp. 34 & 36.

7 Ibid., p.38 & p.43.

forces of liberty and authority are balanced and transcended by a rationally and voluntarily determined relation superior to each; that is by "a statute of arbitration willed by man", or law.⁸ In a federal system these laws continually limit centralized authority and divide power along organic lines to give more power to local authorities and to those most directly concerned:⁹

the policy of progress, consists in ruling every people, at any given moment, by decreasing the sway of authority and central power to the point permitted by the level of consciousness and morality.¹⁰

Proudhon had an organic conception of organization. He summarized his political programme for proletarian self-government and socialist federalism with these propositions:

- 1) Form groups of a modest size, individually sovereign, and unite them by a federal pact.
- 2) Within each federated state organize government on the principle of organic separation; that is, separate all powers that can be separated, define everything that can be defined, distribute what has been separated and defined among distinct organs and functionaries; leave nothing undivided; subject public administration to all the constraints of publicity and control.
- 3) Instead of absorbing the federated states and provincial and municipal authorities within a central authority, reduce the role of the centre to that of general initiation, of providing guarantees and supervising, and make the execution of its orders subject to the approval of the federated governments and their responsible agents ...¹¹

⁸ Ibid., p.44.

⁹ Ibid., p.45.

¹⁰ Ibid., p.49.

¹¹ Ibid., p.49.

These same principles are applied to the economic sphere: economic actors unite through bilateral and commutative contracts, and their relations are governed by laws formulated on "the principles of mutualism, division of labour, and economic solidarity".¹² The state remains, but only in the role of "prime mover and general director".¹³

The Civil War in France is Marx's analysis of the first experiment in proletarian self-government, the Paris Commune, which had been brought to a bloody end by the combined armed forces of France and Germany. A large minority of the leadership of the Commune was composed of followers of Proudhon. Proudhon was the most influential socialist writer of the time. Because the Blanquists were short on political and economic ideas of their own, the Commune represented an attempt to put Proudhon's ideas into practice.¹⁴ His extreme decentralism was immediately found to be untenable.

Marx points to two curious anomalies in the behaviour of the leadership of the Commune, each with scientific programmatic significance. The anarchists organized all of the workers into one big union. In their actual practice, they acknowledged the objectively integrated character of

¹² Ibid., p.71.

¹³ Ibid., p.48.

¹⁴ Karl Marx, The Civil War in France (Moscow: Progress Publishers, 1968), p.14.

production and created a large-scale socio-political association. This was precisely opposite to Proudhon's doctrine and in fact represented a Communist programmatic demand. Marx concluded, with some satisfaction, that "therefore, the Commune was the grave of the Proudhon school of Socialism".¹⁵ The Blanquists, as well, found themselves implementing policies antithetical to their programme. In their view a disciplined vanguard was to capture power and execute a revolutionary transformation through dictatorial centralization. Marx comments:

And what did the Commune, with its majority of these same Blanquists actually do? In all its proclamations to the French in the provinces, it appealed to them to form a free federation of all French Communes with Paris, a national organization which for the first time was really to be created by the nation itself.¹⁶

Beyond his critique of the Proudhonists and Blanquists, Marx concluded from the experience of the Commune that "the working class cannot simply lay hold of the ready-made state machinery and wield it for its own purposes", but must reorganize society on the basis of communes, combining the delegation principle with singular, mass socio-political organizations of the working class.¹⁷ The simple principles that Marx derived from the Commune experience,¹⁸ are the

15 Ibid., p.15.

16 Ibid.

17 Ibid., p.50.

18 Ibid., pp. 53-5.

basis of the Yugoslav system of social self-government.

According to Marx, the Commune's political relations would bring an end to class society: "With labour emancipated, every man becomes a working man, and productive labour ceases to be a class attribute."¹⁹ The Commune would also solve the question of individual freedom. It would make

individual property a truth by transforming the means of production, land and capital, now chiefly the means of enslaving and exploiting labour, into mere instruments of free and associated labour.²⁰

The first Yugoslav programme to put Marx's Commune socialism into practice was theoretically grounded on Popovic's critique of "state capitalism". He abstractly conceived self-management as the right to control the results of one's own commodity production.²¹ The free association of producers would be a new kind of free commodity production. The workers, as collective producers who jointly own newly created value, would no longer be estranged from capital or the products of their labour.²² The individual would participate in the disposition of the whole of social revenue as a member of a commune.²³ This negation of the wage relation would eliminate the essential

¹⁹ Ibid., p.57.

²⁰ Ibid.

²¹ Milentije Popović, Razmatranja o Pitanjima Savremenog Društva (Beograd: Kultura, 1964), pp. 27-28.

²² Ibid., pp. 28-29.

²³ Ibid., p.30.

economic condition of human self-estrangement. According to Popović, this fundamental community, not external like the state or the capitalist market but "a cell of the whole of society", would transform the state into "an immediate organ of society".²⁴

This early formulation left some important questions untouched. How do you mediate the social and individual ownership of production? How are communes mediated into a concrete global community? Estrangement is most fundamentally that of the individual and of the small association from the global community. The self-determination of the individual or the immediate community is meaningless if the totality of relations is an alien force beyond self-conscious comprehension and determination. Without the mediation of working, living and interest associations into a self-conscious universal, the direct democracy of socialist self-management will no more overcome estrangement than did early American townhall democracy.

In the mid 1950's, Popović formulated socialist self-management as a proletarian political movement in opposition to state capitalism. His analysis was adopted at the VIIth Congress of the League of Communists in 1958 in which the acceptance of self-management was finalized. As it says in the programme, state capitalism is not a new phase of capitalism, but the beginning of the transitional period as

²⁴ Ibid., pp. 31-32.

a world-historic phenomenon. The transitional period is not necessarily a transition to socialism, as some automatic process. It is simply the transition away from capitalist production relations. That advanced western societies today are not 'capitalist', does not necessarily mean that they are becoming socialist. The transition to socialism is a conscious political act on the part of the producers.²⁵

With the inclusion of the state in economic relations, the meaning of all the basic categories of capitalist society, such as capital, wages, base, superstructure, etc., changes.²⁶ State capitalism signifies a permanent crisis in capitalist production relations.²⁷ The transitional period is an historic compromise in which the weakness of both the bourgeoisie and the direct producers allows the state administration to play an exceptional role. The transformation is not merely political, but occurs also in the sphere of economic relations. The state is not any more a superstructure, but an integral part of production relations.²⁸

When the state intrudes into production relations, class relations change, but capitalist production relations are not entirely negated. The wage relation, the relation of the direct producer to the means of production, remains

25 Ibid., p.74.

26 Ibid., p.72.

27 Ibid., p.73.

28 Ibid., p.89.

the same. Private property over capital is being replaced by central administrative power. While state capitalism negates private property and develops the objective material basis for socialist society, it generates social relations opposed to democratic self-government by the associated producers.²⁹ It can be seen then that state socialism, rather than liberating the workers, merely completes the estrangement of capital's tendency to monopoly with the state bureaucracy as the final external force determining the totality of socio-political relations.³⁰

Popović used the word statism to distinguish this state-socialist relation, but at this time he considered it to be a species of the general phenomenon of state capitalism.³¹ In statism one's hierarchical position in the administration determines one's relationship to newly created value, rather than the investment of money.³² The fundamental characteristic of state capitalism (statism) is to transform the proletariat into a state class, a class which is an instrument of the state administration.³³ In Soviet socialism, this transformation derives from the conception of the unions as a transmission belt to the

29 Ibid., p.21.

30 Ibid., pp. 35-36.

31 Ibid., p.49.

32 Ibid., pp. 35-36.

33 Ibid., p.37.

party-state. In the West, this same transformation takes the form of the depoliticization of unions and of the demand for 'economic' democracy, which means participation in the management of profit-oriented capitalist firms.³⁴

Nationalization, though usually undertaken on behalf of the direct producers, is in substance a statist measure.³⁵ The dominant tendency of the current epoch, of encompassing all social activity under the administrative power of the state, should be opposed by a proletarian political movement for the self organization and self-government of society.³⁶ Socialism is not a simple negation of capital through the action of the state. It is the establishment of new production relations, those of associated labour.³⁷

3. The Humanist Critique of Anarcho-Liberalism

In the 1960's self-management became "market socialism", a kind of workers' capitalism. Yugoslavia's critical intelligentsia, largely estranged from the League and loyal to Rudi Supek and the Praxis journal, became the main source of opposition to this "socialist" belief in the supreme rationality of the market mechanism. With the crisis of 1971, this critique was internalized by the League and Karelj developed the more holistic notion of agreement

34 Ibid., p.39.

35 Ibid., p.54.

36 Ibid., p.19.

37 Ibid., p.55.

socialism. But since this humanist critique still held to Marx's notion of the concrete as an immediate universal, Kardelj's associational socialism maintained the abstraction of the commune state. Rather than transcending the crisis of mediation, the new system has merely institutionalized it into a system of permanent crisis.

Vranicki gave the critical movement a sound basis in orthodoxy by retrieving some of Lenin's best practical writings on Soviets.³⁸ Much as Marx's Capital cannot be understood without Hegel's logic, Lenin's democratic centralism is truly understood as a practical development of the concrete universal. Lenin identified Hegel's notion of the mediation of freedom and necessity, in general, with that of Marx and, by implication, with his own.³⁹ Freedom is quite simply the universalization of the knowledge of necessity in order to turn this necessity toward the universal development of our human creative capacities. This universal freedom begins with the organization of each social productive unit as "an independent commune with its

38 Predrag Vranicki, "The Theoretical Foundations of the Idea of Self-government," in Branko Horvat et al eds. Self-Governing Socialism (White Plains: International Arts and Sciences Press, 1975), pp. 461-62.

39 V.I. Lenin, "Materialism and Empirio-Criticism," in Collected Works Vol. 14 (Moscow: Foreign Languages Publishing House, 1962), p.190.

own internal organisation of labour".⁴⁰ The Commune state would be the concrete universal of these labour communes:

centralism, understood in a truly democratic sense, presupposes the possibility, created for the first time in history, of a full and unhampered development not only of specific local features, but also of local inventiveness, local initiative, of diverse ways, methods and means of progress to the common goal. The task of organising competition ... consists in the transition to large-scale economy based on machine industry, in the transition to socialism. But the concrete conditions and forms of this transition are and must be diverse, ...⁴¹

Lenin's main point was that concrete universality would be achieved primarily through the pedagogical and competitive action of an information system through which communes compete for mutual recognition. Through the universal life of a free, open and economically knowledgeable information system, the market of capitalist society is transcended by a system of reward for the recognition of the development and application of knowledge to social production.⁴² Competition becomes a social pedagogy which raises the skills of the direct producers. Through participation in this universal life, the self-managed producers internally transform themselves into free subjects who self-consciously compre-

⁴⁰ V.I. Lenin, "Original Version of the Article "The Immediate Tasks of the Soviet Government" Verbatim Report," in Collected Works Vol. 27 (Moscow: Progress Publishers, 1965), p.204.

⁴¹ Ibid., p.208.

⁴² Ibid., p.206.

hend and direct the totality of social relations.

Lenin saw the concrete mediation of freedom and necessity as the universalization of the knowledge of necessity, and as turning this knowledge toward the realization of the socialist project for a truly human society. This was an excellent affirmation of Marx, but still did not address the all-important question of political alienation in socialist society.

According to Supek, the essence of socialist self-government is the political self-organization of society that brings an end to all forms of political alienation.⁴³ Socialism, conceived as the political integration of society from above, through the state, led to the domination of a single party. In a free self-governed society, interests develop spontaneously to be articulated in diverse interest associations. If the conditions of this motion from below required party political representation, that should result in a diverse party system.

The initial concept of self-governing socialism was the belief that those most directly concerned with an activity should govern that activity. This was usually interpreted to mean that the producers, those directly engaged in production, should manage production. They should plan,

⁴³ Rudi Supek, "The Sociology of Workers' Self-management," in Branko Horvat et al eds. Self-Governing Socialism Vol. 2 (White Plains, N.Y.: International Arts and Sciences Press, 1975), p.6.

produce and sell the product, and they should also control the proceeds of production. This limited conception implicitly accepts the contractual estrangement of anarcho-liberalism.

Proudhon's democratic conception of organization was that traditionally appropriated by social-democrats and communists.⁴⁴ This merely democratic conception of proletarian self-government limits itself to de-alienation in the productive sphere alone by integrating labour and management functions into a single producer function.⁴⁵ Such restriction leaves alienation intact as alienation between man at work and man in society and culture. Proudhon's system would be a group form of capitalism, wherein the workers of an enterprise become the collective entrepreneur. Self-management in the 1960's was interpreted as simple decentralization and 'market socialism'. The consequent economic and social inequality brought both Yugoslavia's claim to socialism and its future existence as a federation into doubt. In response to this crisis, Marxist humanist intellectuals and reformers in the League began to formulate an integral system of associational democracy to counter the predominantly liberal notion of workers' self-management.

By equating the realization of true social self-

⁴⁴ Rudi Supek, "Organization as an Intermediary," in *Ibid.*, p.60.

⁴⁵ *Ibid.*, p.57.

government with full participation by the workers in production, self-management had implicitly accepted a liberal-democratic problematic.⁴⁶ In a truly human society

It is not the principle of exchange and contract, but rather the principle of human needs and the all-round development of the personality, that lies at the centre of interest.⁴⁷

In humanist organization, production and living communities become an integral human community.⁴⁸ Such integration is necessary in an advanced technological society. The dynamic factor in the growth of productive forces is the application of science to production, and intellectual labour makes a more significant contribution to production than manual labour. As the scientific-technical revolution advances, growth is centred more and more on the mediation between the creators of culture and the consumers of culture. In capitalist and statist societies this growth is manipulated to satisfy the growth needs of capital. Humanist organization turns the demands of an advanced technological system of production toward the satisfaction of true human needs.

Humanist organization does not perpetuate the dichotomy between man at work and man at leisure, but instead focuses on needs. The cycle of the production of exchange-values,

⁴⁶ Supek, "The Sociology of Workers' Self-management", p.8.

⁴⁷ Supek, "Organization As An Intermediary", p.53.

⁴⁸ Ibid., p.57.

which are purchased as use-values, is broken; and use-value relates directly to the reproduction of labour.⁴⁹ The humanist approach goes beyond democratic and participatory theory, concerned only with linking production, management and entrepreneurial functions, and requires a comprehensive linking of all life-activity into a life/work community.⁵⁰

According to Supek, self-government exists substantively in a system of association that develops truly human needs, particularly through the control of production by consumer associations. Production should be directed according to our fundamental needs for freedom and sociability, which Supek combines to form the humanist concept of dignity.⁵¹ But by holding to the commune ideal of direct democracy, he sees true human fulfillment in the elimination of intermediaries, in direct relations between the consumers and creators of culture.⁵² This is how Supek saw "the living community of human needs".⁵³ The results in practice have contradicted Supek's own principle of self-government following democratic functional organization.⁵⁴ The commune

49 Ibid.

50 Ibid., p.57.

51 Ibid., p.57.

52 Ibid., p.59.

53 Ibid., p.58.

54 Supek, "The Sociology of Workers' Self-management", p.8.

notion of socialism has led to the dominance of local politicians and administrators in their role as representatives of the 'living community'.

A concretely human society would have a dialectical system of mediation in which production and consumption are internally related because realized human capacity is both the source and result of development. Productive activity is not the production of value, but cultural renewal and development. Consumption is an integral part of production not as the cycle of the realization of the value of a commodity, but as the internal development (Bildung) of the human subject. Productive consumption is not capital's consumption of value, but human self-determination.

Unlike capitalism or statism, production is subordinated to consumption. Rather than need being the means to the fulfillment of the capital invested, past labour is directed to the development of human potential. This is true productive consumption. The cycle is a human one. Need generation becomes the centre of human self-development which externalizes itself in production. Consumption is not estranged from production. Realized human capacity is the true force of production in its universality. This is actualized in the particularity of the activity of functional associations which both satisfy general social needs and develop the capacities of their particular working members. Through this mediation man is concretely integrated as a

universal species-being.

4. Dogovorni Socijalizam

Yugoslavia has experienced four models of socialist organization. The period from 1946 to 1952 was administrative or state-socialist. The beginning of self-management, from 1953 to 1962, was a hybrid of administrative and self-management socialism. Yugoslavia took a turn toward market socialism from 1963 to 1973. From 1974 to the present, Yugoslavia has had, at least formally, a system of associational socialist democracy substantively based on an integral system of associated production. Since this integral system is to be concretely based on the voluntary agreement of the direct producers, it is sometimes called dogovorni socijalizam - agreement socialism.

Edvard Kardelj led the attempt to establish a concrete associational form of socialism as a means to counter the very strong tendency toward a technobureaucratic monopoly over decision-making and over the disposition of past labour. The liberal period of market socialism had allowed the technobureaucracy to emerge as a dominant class which ruled through an alliance of fractions in the League, the state, large banks and enterprises, while the workers were reduced to wage-labour status. Kardelj's reforms would bring self-determination to the direct producers through the principle that aggregate income should return to each BOAL (Basic Organization of Associated Labour), to be

subsequently pooled through a self-conscious and explicit system of agreements. Following Marx's mistaken notion of the concrete as the immediate, he hoped to remove intermediation, now estranged into bureaucracy, by establishing a direct link between workers, in the value-producing and non-value-producing sectors, through self-managing communities of interest.⁵⁵

Private and state ownership would be negated by an associated mode of production, that is, one wherein participation in production directly entailed an associational system of democracy based on the delegate principle of representation. Wage labour was replaced by self-management agreements. Organizations of associated labour were made responsible for the success or failure of their collective activity with their income, above a certain guaranteed legal minimum, being a function of the results of their labour.⁵⁶ Thus the market would remain but would be ethically directed by a freely entered, and explicit, system of agreements by the working people.

The development of workers' management and the free articulation of society into a non-estranged global community are inseparable historical motions.⁵⁷ It was hoped that

⁵⁵ Edvard Kardelj, Democracy and Socialism (London: The Summerfield Press, 1978), pp. 22-24.

⁵⁶ Najdan Pašić et al eds., Workers' Management in Yugoslavia (Geneva: ILO, 1982), pp. 19-22.

⁵⁷ Ibid., p. 17.

horizontal relations of autonomous self-regulation would bring social control over production relations, without an extension of the state apparatus. Associations would be mutually regulated by social contractual agreements, struck by the free, equal and direct expression of the will of the workers in producing or interest collectives.⁵⁸ Society would be integrated from the bottom up through voluntary agreement into an authentic expression of subjectivity.

But while trying to establish a concrete universal system of self-government, Yugoslav associational socialism maintained its faith in the Commune state. Administration is decentralized down to the commune, which is considered to be a self-sufficient and self-financing socio-political unit.⁵⁹ The integration of production and community into a fully human social existence was believed to coincide with this primary administrative unit. While it is true that human self-determination is actualized in immediate communities, this depends on their self-conscious determination as moments of a concrete ethical totality. Ultimate determination was left at the level of the particular community. The universal determination of socialist ethicality was left to the contingency of the particularity of self-interested contractual parties.

In the theory of agreement socialism, self-manage-

58 Ibid., pp. 139-40.

59 Ibid., p.37.

ment agreements and social compacts replace state administration as the main means of social control. Political and social control are diminished as an external relation to be replaced by internal, subjective self-governing control on the basis of free associated labour, self-consciously guided by self-management principles. But this internal control simply took the form of the universalization of contractual relations.⁶⁰ The totality of relations was left open to the contingency of particular dominant interests and their substantiality was reduced to the spontaneity of the market. For example, agreement socialism leaves the formation both of income distribution and of prices to BOAL's.⁶¹ The result is that BOAL's seek to raise their incomes simply by raising prices. Yugoslavia is now engulfed in an inflation that has produced two classes, those with foreign currency accounts, and those without.

In the normative system of associated production, managerial prerogative lies ultimately with workers' representative organs.⁶² But industrial conflict is not uncommon in Yugoslavia.⁶³ Production workers are still those most alienated from management structures and least

60 Ibid., pp. 27-8.

61 Ibid.

62 Ibid., p.85.

63 Ibid., p.92.

represented on self-management organs.⁶⁴ Lack of communication and information about management functions is often cited as the primary source of conflict.⁶⁵ But there is more than a human relations or representational problem involved here. Industrial conflict is the result of objectively contradictory relations wherein workers, though posited as the democratic managers of production, are in fact at the bottom of a hierarchical division of labour.

The most dramatic constitutional innovation toward a "concrete", i.e. immediate and face-to-face, system of self-government was the self-managing community of interest. In other social systems services are provided by the state, paid for from taxation, and implemented by public functionaries. This new system was to remove the state from the service sector which would become self-governing, with management control going one-half to those directly engaged in providing the service, and one-half to those associations that contribute directly to the cost of providing the service. It was hoped that this innovation would remove the external mediation of the state administration.

The immediate relation in the self-managing community of interest was to be a free exchange of labour, whereby the proceeds of production from the productive sector are transferred directly to the self-managing service sector,

64 Ibid., p.92.

65 Ibid.

usually at the commune or regional level.⁶⁶ For services of a directly social character, i.e. education, health, scientific and cultural services, socio-political communities were to have more direct input into decision-making. Representation from the socio-political community includes delegates from B.O.A.L.s, consumer associations, trade unions and other socio-political organizations. These representatives sit on a self-managing community of interest council that sets policy.⁶⁷ Services of a particular character would be managed directly by the parties involved, e.g. for primary energy supply, the representation would be composed 50% of industrial consumers and 50% of suppliers.⁶⁸

Representation on a self-managing community of interest assembly is based on the principle of parity between those organizations providing the service and those financing it. Similar to the federal assembly, there are two chambers, one for each major interest.⁶⁹ Neither can overrule the other, and each is equally responsible to the socio-political community as a whole for the provision of the social service. The face-to-face relations in this assembly were to establish a direct and free exchange of labour between the productive and service sectors in such a way as to

66 Ibid., p.23.

67 Ibid., p.56.

68 Ibid., p.149.

69 Ibid., p.150.

eliminate the necessity of a vertical relation up to the state.⁷⁰ As a direct conscious relation, it would transcend abstract value exchange. The workers would have a direct say over how their social service funds were being spent. But meeting only in their particular exchanges, in their particular communities of interest, the totality of their relations would, in fact, be determined by the abstract totality of value exchange. At any rate, the so-called productive sector is "productive" of value. Concrete totality cannot be established on the particular exchange of value, no matter how direct the exchange.

An example of a possible self-management service enterprise will clarify the relations involved, and particularly the relationship between the assembly of the socio-political community and organizations of associated labour. As a result of a proposal from an assembly of a socio-political community, a new enterprise is created to satisfy a particular perceived social need. To defend the integral character of the community and to develop it as a socially humane environment, an agency will be formed to assist and monitor building development. The enterprise charged with this function is composed of specialists in architecture, urban planning, energy conservation, history, etc. The enterprise approves the final design of any building project in the community. The purpose of the enterprise is to

⁷⁰ Ibid.

assist individuals and other enterprises in meeting the requirements of the locality.

The enterprise is funded according to the particular characteristics of the locality. It may involve some combination of support from the general tax revenue, a service charge on the users, or funding directly from the main building enterprises in the community.

The internal affairs of the enterprise are managed by those who work there through the normal formula of a supreme workers' council and a relatively autonomous management board. Affairs concerning the community and the users are governed by a service council for the enterprise. Representation on this council would be in part according to contribution and in part democratic. The proportion of each would depend on particular circumstances. If building enterprises were by far the main users, they might be the sole contributors. This would give them half the members of the service council. The other half would come from the enterprise itself. This service council would conduct itself ultimately with respect to resolutions passed by the assembly of the socio-political community.

One of the main questions that Kardelj faced was how to prevent the estrangement of social reproduction into an external totality which is the objective expression of the interests of a dominant class. Income would remain under the control of those who produced it. Associated production

would allocate income in such a manner as to show each worker explicitly and in detail his personal responsibility and his enterprise's responsibility to society. Deductions from enterprise income follow 12 categories which may be divided into 4 types.⁷¹ The order of preference seems inspired by Marx's Critique of the Gotha Program.

The first obligation is to the assemblies of the socio-political communities, to pay for public services, education, health, welfare, cultural and scientific activities.⁷² Next in priority is the fulfillment of contractual obligations.⁷³ The third category is preservation. The last category is net income over which the enterprise has complete control. This is split into two broad categories, non-productive consumption, i.e., incomes, and productive consumption, i.e., re-investment.⁷⁴ An individual worker's pay slip is broken down to show precisely how much he has contributed to all of these categories. The explicit character of the relation should help to bring the individual to an awareness of the universal.⁷⁵ Increasing the awareness of where contributions go should stimulate participation in the decision communities that allocate

71 Ibid., p.109.

72 Ibid.

73 Ibid., p.110.

74 Ibid., p.112.

75 Ibid., p.115.

these funds.⁷⁶

For Kardelj and others, the essential question was how to bring capital under the direct control of the direct producers. Until the early 1970's, financial institutions were autonomous but under the control of government officials, managers and political authorities.⁷⁷ Since the mid-1970's, they have become like self-managing communities of interest, with a cellular structure originating in the internal bank of a work organization or an association of work organizations.⁷⁸ These come together to form basic banks, which join to form associated banks.

Social surplus would not in these circumstances become abstract general social capital. Banking activity was to be integrated into associated production, with the deposits under the control of producers' associations. Each self-managing unit would have shareholders' rights and earn interest on the basis of proportionate participation. Policies are arrived at through a self-management agreement between the bank and the participating self-management organs. This banking system was adopted to increase worker control over financial management and to raise solidarity by bringing the contributing parties together to decide on the

76 Ibid.

77 Ibid., p.13.

78 Ibid., p.147.

allocation of social resources.⁷⁹ Unfortunately, banks continue to be run in the same old way, by the executive levels of management.

The planning mechanism was to be the means for the self-conscious reproduction of self-management relations.⁸⁰ Kardelj's self-management planning is strongly reminiscent of Hegel's ethical life as the mediation of right and duty:

an integral system of self-management and social planning can only be built on the basis of a close interlinking of rights and responsibilities. Lacking this, plans will only be forecasts binding no one, instead of realistic factors coordinating the material trends of society's economic life.⁸¹

But Kardelj remained on the level of abstract right, merely universalizing contractual association. Ethical life is not the self-conscious recognition of market relations. Market and other contractual relations should be subordinated to a universal project for human self-actualization. For this universal to be substantively true, the development and content of this project should be determined by plan subjects who have the capacity both to determine the project in particular activities and to assess the concreteness of the project through a critique of its objectifications.

The current Yugoslav planning system follows the

⁷⁹ Ibid., pp. 145-6.

⁸⁰ Edvard Kardelj, Contradictions of Social Property (Belgrade: Socialist Thought and Practice, 1981), p.133.

⁸¹ Ibid., p.125.

familiar pattern of building from the bottom up through the voluntary, but responsible, contractual agreement of basic units and successively more integral associations.⁸² Piecing together the puzzle of production relations begins by defining the individual pieces and their role in the totality. Each successive level adds a new dimension to the picture. At every phase of this process basic organizations have delegate representation. Planning has an organic structure following the pattern laid down by organizations of associated labour, self-management associations and socio-political communities. Socio-political communities devise a framework plan. Chambers of economy, which follow a workshop division of labour, produce a vertical plan through self-management agreements.

Self-management planning should be more efficient than administrative central planning because problems of implementation and enforcement should disappear.⁸³ The plan of an enterprise or a community is not an external demand but an assertion of its own desired goals. But Yugoslav planning has remained little more than an empty ideal. With ultimate determination lying in the particular plan subject, the picture of totality is a puzzle in which the pieces never fit. Economic relations are normally conducted on an

⁸² Pašić et al eds., Workers' Management in Yugoslavia, p.127.

⁸³ Ibid., p.131.

ad hoc and contractual basis.

Yugoslav plans must cope with the main structural problems of a developing country, such as trade imbalance and high external debt.⁸⁴ Because the efficiency of planning "depends heavily on the degree of consistency of the interdependent plans of all the subjects",⁸⁵ the mediation of these subjects up to the global level is absolutely critical to plan formulation and fulfillment. In 1978 there were 95,210 different basic planning subjects.⁸⁶ For self-managed planning to work, each plan subject must "understand the interdependence of its own position and those of the other subjects in the economic structure of which it is part".⁸⁷ The integration of associated labour on the basis of mutual self-determination is a question that goes to the very heart of socio-economic coordination, but it cannot ever be solved merely on the basis of social contractual relations. Plan subjects are truly self-determined when their contractual relations are the fulfillment, in their particular sphere of concern, of a universally conceived and centrally determined project for the development of our creative capacities.

⁸⁴ Mate Babić, "Some Aspects of Plan Coordination in Yugoslavia," Economic Analysis and Workers' Management 14 (1980):469.

⁸⁵ Ibid., p.467.

⁸⁶ Ibid., p.466.

⁸⁷ Ibid., p.468.

Assemblies of socio-political communities are the locus of mediation in the Yugoslav system of social self-government. Organizations of associated labour and self-managing communities are integrated into political decision-making at each level of socio-political community according to the self-management principle of delegate representation.⁸⁸ The proletarian character of socio-political communities is to be ensured by a requirement that all decisions involving expenditure be ratified by the Chamber of Associated Labour.⁸⁹ The problem of parochialism is to be counteracted by drawing representatives for higher levels from a single communal delegate base.⁹⁰ It is hoped that the direct relationship will bring national and federal politics down into the local level. Unfortunately the delegate system is so cumbersome and complex that these assemblies have very little real power. Power tends to lie in executive and administrative bodies and to be distributed according to a personal system of informal relations outside the constitutional framework of socialist self-government.

The state is to play a limited role like that prescribed by Proudhon. It legislates, controls defence and the police, participates in planning in an ad hoc way and

⁸⁸ Pašić et al eds., Workers' Management in Yugoslavia, p.153.

⁸⁹ Ibid., pp.153-4.

⁹⁰ Ibid., p.159.

intervenes to create associations that are needed but have not arisen spontaneously.⁹¹ This, however, does not correspond to its role in reality, for it is far and away the predominant factor in both economic and social life. Most conspicuously, it operates self-managing communities of interest as if they were branches of the administration.

The League of Communists, the Confederation of Trade Unions, the Union of Socialist Youth, the Veterans' Federation and the Socialist Alliance of Working People are the institutionalized subjective factor of the Yugoslav system. They are the 'hidden hand' which should bring socialist self-consciousness, a consciousness of the universal interest, to particular interest groups. Though they have formal representation in socio-political communities, they are not meant to be vertical props, as funnels or transmission belts, between the successive levels of representation.⁹² Their role is to inform self-interested behaviour so that it is responsible to society as a whole and to its socialist ideals.⁹³ The presence in socio-political assemblies of people whose main concern is participation in a socio-political organization should make this assembly a forum for broad social issues.

This underlying relationship of socio-political

91 Ibid., pp. 26 & 141.

92 Ibid., p.166.

93 Ibid., pp. 30-1.

organizations to the system as a whole betrays a difficulty that Yugoslavia shares with other socialist countries. Universal self-consciousness, a self-consciousness of the global life of the community, is estranged into singular organizations which have a complete monopoly over all globally expressed concerns. This is inconsistently and falsely justified by the notion that politics is, in itself, alienating. On the one hand, socialist self-management is to transcend the estrangement of politics so that the producers may self-consciously direct their own global life and, on the other hand, this global life, global or political interests and issues, should be excluded from socialism since they are strictly phenomena of class-divided societies. The idea that the system should be above political representational relations is hypocritically used to justify a single-party monopoly.

5. Conclusion

Self-management was meant to be an integral system that organizes itself according to a philosophical principle of self-determination in which the necessary and sufficient conditions for fully human life are self-conscious control over the practical activities of individual and group life.⁹⁴ In practical terms this means that: 1) wage labour is abolished through associational enterprise integrated

⁹⁴ Marković, "Philosophical Foundations of the Idea of Self-Management", p.329.

into a societal system of self-governing organs up to the global level; 2) the functional principle of organization replaces the state-territorial principle of organization, with political association transformed from an instrument of state power into one of associated labour, with integration from below on the basis of free association;⁹⁵ and 3) the relationship of boss to employee is eliminated and replaced by task-oriented, functional relations of workers' control.

Political and ethical demands are articulated up from the associations of the direct producers to representative bodies and then transformed into professional and administrative directives. These objectifications are turned inward by a dialectical system which demands that they ultimately be judged by the organs of the freely associated producers. But the Commune notion of socialism, as an immediate integral living community, undermines the concrete development of self-government. Its emphasis on territorial identification leads to the subordination of the associated producers to territorial administrations.

Every study of self-management and the delegate system comes to the common conclusion that the traditional working class has little real influence.⁹⁶ No matter how democratically relations are structured, professional workers, those

⁹⁵ Pašić et al eds., Workers' Management in Yugoslavia, pp. 26 & 28.

⁹⁶ See Obradović, Dunn and Rus for evidence.

with the most education and greatest skill, dominate the decision-making processes. The substantive basis of an affirmative social order is necessarily a system of affirmative association. Socialist self-government gains its substance in the developed capacities of associated producers who perform intrinsically affirmative labour and are brought to universal ethicality through associational mediation that turns the socialist project in upon their necessarily limited orientations and activities.

Agreement socialism was conceived as a free contractual society in which all interests are equal. The global expression of interest was seen to be an abstraction which necessarily signified class domination. Rather than bringing the totality of relations under self-conscious control, this system was merely a particularist, radical democratic mask for the occluded political monopoly of the League. The end to the estrangement of the totality of relations depends upon the organic existence of a self-critical discourse in free global interest associations. These engage in the critique of all existing conditions by turning the socialist project's objectifications against itself, and the ethical precepts of the project against these objectifications, to mutually transform ideals and reality toward universal human self-determination.

The Mediation System of Yugoslav Socio-political Life

1. Introduction

Yugoslav Marxists attempted to establish a system of organic mediation into concrete universality, but on the abstract principle of direct democracy. Following Marx, they believed political intermediation to be a phenomenon of alienation. Neca Jovanov has gone so far as to write that direct democratic mediation on the delegate principle, out of self-managing organic communities, is a political form of alienation.¹ Against this mainstream view is another, exemplified by Marković, which believes that politics is not necessarily the expression of alienation. In non-estranged conditions, politics is the authentic expression of the global life of a socio-political community.

Politics, as the global or universal expression of interest, is absolutely necessary because the transcendence of alienation is the self-conscious determination of the totality of relations. It is precisely the suppression of politics that is the main source of estrangement in socialist societies. Yugoslavia cannot become a global integral system until universal self-consciousness is allowed a free and creative existence in free global interest groups which are organically grounded in self-governing communities.

True self-determination entails the global comprehen-

¹ Dijagnoza Samoupravljanja (Zagreb: SNL, 1983), pp. 20 & 182.

sion of socio-political life. In Marxist theory a political interest is directed to the political totality of a social formation. In state societies, this is an external, or false, totality with an organic existence in a particular dominant social class. The Yugoslavs have attempted to establish a concrete socio-political totality that authentically represents the organic relations of a self-governing society. But concrete was taken to mean the specific expression of particular interests. Any universally expressed interest is barred as 'political', hence as an abstraction in which the totality of relations is determined by a particular class interest. But for any particular interest to become part of a concrete totality, it must posit itself in terms of this universality. It must be expressly political to be fully mediated into the global life of the community.

In Yugoslav self-management, self-determination is the partial expression of interest by self-interested groups. Such 'grass roots' politics, which only recognizes partial interests, abstracts global concerns into single issues. Yugoslavia is a merely abstract community, a contest ground for self-interest, which occludes the real monopoly of some Party cadre over the universal expression of interest. Fragmentation, resulting from the extreme particularization of interest, in this context, has set Yugoslavia on a course toward party-state enforced unity.

2. The Integral Human Community

The freeing of man as a creative being depends on a social system wherein his individual will and creative power are given the fullest possible expression through a co-determination of wills, interests and activities in a self-management political system.² Such a condition, Yugoslav and orthodox Marxists have believed, depends on the integration of production and civil communities into human communities. For a community to be human, it must have a human scale. The Yugoslav commune can be thought of as the modern equivalent of the ancient Greek polis. The size of Yugoslav communes differs according to the number of inhabitants from 10,000 to over 100,000, and in terms of area from 50 sq. km to over 1000 sq. km.³ This range is believed to provide for the expression and development of personality and for direct participation in democratic self-government. Each commune is self-sufficient, in the sense of being a holistic human community, and autonomous in the sense of being bound only by free legal agreements in accordance with universal principles that it recognizes along with other communes and more comprehensive socio-political communities.

² Edvard Kardelj, Self-Management and the Political System, (Belgrade: Socialist Thought and Practice, 1980), p.14.

³ Bogdan Trifunović, A Handbook of Yugoslav Socialist Self-Management, (Belgrade: Socialist Thought and Practice, 1980), p.49.

In principle the Yugoslav social system is built on two foundations - the BOAL in the economy and the commune in socio-political life. The central line of evolution has involved the transformation of the commune from a territorial organization of state power into a political instrument of associated labour.⁴ In the commune the producer should have direct control over his socio-political activity. The producer, as a producer, is a citizen; and as a citizen he is directly concerned with productive activity. Representation according to the delegate principle through various interest communities is to provide these basic communities with direct corporate control over socio-political life.

The tendency during the 1954-65 period was for economic power to gravitate away from the highest levels of government and away from enterprises toward the commune.⁵ At this time self-management was not understood to be a global integral system but simply as decentralization down to the commune and workers' management of enterprise in a market economy. Decentralization was seen to be the withering away of the state, when all that it accomplished was to shift state-like behaviour down to smaller units and to increase

⁴ Najdan Pašić, Interesi i Politički Proces, (Beograd: Izdavački centar Komunist, 1983), p.343.

⁵ Vladimir Bakarić, "The Law of Value and Planning in Yugoslavia," Socialist Thought and Practice 23 (January, 1983):91.

the irrationality of the system as a whole.⁶ Bringing power closer to the people does not necessarily bring power to the people. Without the universal self-conscious comprehension of power at the global level, local self-determination is ultimately subject to the superior forces of the market and the nation-state.

The theoretical notion of the transcendence of alienation, as the fusion of functional and territorial administration into a single community of humane proportions, has in practice resulted in the domination of territorial administration over functional organization. A functional community follows vertical paths of integration along workshop lines or according to financial need. A territorial community is spatial and horizontal. In a Commune state, territoriality defines the area of intersection. The consequence of the application of this utopian notion of the ideal human community in Yugoslavia has been anarchy. Each socio-political community restricts the outward flow of capital to a trickle and attempts to defend an autarkic market space. Associated labour cannot achieve a global system. Rather than socialist self-management, Yugoslavia has the group property production of competing capitals and a political system of petty competing states to match.

Associated production and a new federal system, which

⁶ Franjo Kožul, "The Specific Traits of the State Under Self-Management Socialism," Socialist Thought and Practice 23 (February, 1983):20.

concentrates power on the republican level of government, began to be introduced simultaneously in the early 1970s. The two forms of organization are fundamentally contradictory. One, based on the territorial principle, maintains and extends the power of the administration; and the other, based on functional organization, attempts to transform workers into the associated producers. An associated mode of production is the substantive side of the negation of state-administrative relations.

The introduction of associated production was complicated by the national question and by the historic origins of this system as a confrontation with Stalinism. The transformation of state property into social property was conceived simply as decentralization, as opposed to the centralism of Stalinism. In the effort to reduce national tension, in the reforms following the crisis of 1971 especially, power was decentralized primarily to the national identity level. The introduction of an associated mode of production was scarred by the national question. As a concession to national identity, state property relations were reinforced in the sphere of expanded reproduction at the republican and provincial levels.⁷ Labour integration and self-managed relations were limited to simple reproduction. Developments in recent times have been dominated by

⁷ Edvard Kardelj, Contradictions of Social Property, (Belgrade: Socialist Thought and Practice), p.24.

competition between republics with the result that labour integration has been blocked and nationality conflicts have intensified.⁸

According to the principles of associated labour, the producers are directly to control expanded reproduction through their BOALs. In fact, this control is exercised by a power bloc at the republican and, to some extent, the commune levels. Each commune and each republic has its own bank, and these banks, together with the socio-political community, control social capital. They prevent control by the workers through the delegate system; and they also prevent the free movement of capital, instead retaining it under their own territorial control.

The federal structure of the League of Communists has prevented it from acting as a political integrative force. The republican level is the seat of power here as well. The central committee of the League is composed of 150 members with equal representation from each republic and autonomous province. These representatives are appointed from that level. The Skupština has a similar representative system. With the constitutionally required consensus almost impossible to achieve, the centre is paralyzed, and government functions only through the use of emergency powers.

Labour and political integration have been paralyzed by a power bloc at the republican level. Organs of associated

⁸ Ibid., p.146.

labour can only express themselves this far.⁹ Their demands of a global nature must first go through this filter. A political monopoly over the resolution of interest conflicts on behalf of the national general interest has subjugated the associated producers to a professional political stratum at the republican level.¹⁰ These power blocs, based on the nation-state as an abstract integral community, are the beginnings of a new dominant class.

3. The Abstraction of Formal and Immediate Relations

Yugoslav self-management pluralism shares with Hegel the critique that political representational relations posit man only as a formal legal subject. As Hegel writes, in a system not grounded in the organic life of the community, political life 'hangs in the air' as an estranged universal which is not part of the real life of the individual. Pašić adds, that in the resulting system of formal relations the bureaucracy becomes the active political subject.¹¹

Kardelj used the notion of politicization to mean issues and interests raised to an abstract universal which occludes the socio-economic substance of social relations. Relations of economic exploitation are hidden behind the facade of political relations of formally free and equal

9 Pašić, Interesi i Politički Proces, pp. 404-6.

10 Ibid., p.407.

11 Najdan Pašić, The Socio-Political System of Yugoslavia (Belgrade: Federal Committee for Information, 1975), pp. 34-35.

citizens.¹² The political pluralism of parliamentary democracy both excludes the existential interests of the direct producers and occludes the real power behind its formal relations. The multi-billionaire owner of vast industries, whole sections of the mass media, perhaps even a political party, is equal to the unemployed, single mother without sufficient means for survival. Each has a vote every four years by which to choose which political machine will monopolize state power.¹³ The decisive extraparliamentary power of capital, the real power behind the formal system of political mediation, is so all-pervasive that pressure groups, the ideologically identified extraparliamentary forces, are those associations that do not represent capital. The voting process is abstracted from the social and class context in which it takes place and, hence, is considered to be egalitarian and democratic. The average citizen is, in reality, a powerless individual with as much control over the destiny of political life as over the fluctuations of the market.¹⁴

The Soviet one-party system is a permutation on the multi-party mode of political mediation.¹⁵ It is far more

¹² Edvard Kardelj, Democracy and Socialism (London: The Summerfield Press, 1978), p.59.

¹³ Ibid., p.63.

¹⁴ Najdan Pašić, Interesi i Politicki Proces (Beograd; Izdavacki centar Kommunist, 1983), p.146.

¹⁵ Kardelj, Democracy and Socialism, p.69.

susceptible to corruption and undemocratic behaviour than a multi-party system.¹⁶ Its basic characteristic is to fuse with the state to form a political bureaucracy. In state socialism the proletariat is an abstract class subject with its interest abstracted into the party-state which represents that interest. Social property is the property of the state that represents the proletariat, the so-called workers' state. The state monopolizes the disposition of social capital, and the producer remains a proletarian, now employed by the state.

The political representational monopolies of both capitalism and statism, of multi- and one-party systems, are based on the separation of the producers from the management of the means of production with which they work. In these conditions, they are unable to express their interests and needs outside a context which accumulates power either to capital or to the state. This political alienation should dissipate as the system of production comes to be managed by the associated producers. An authentic pluralism of the free expression of interests should grow out of the free association of self-managing producers.¹⁷

The real citizen is a member of particular interest communities and associations, and is represented through

16 Ibid.

17 Pašić, Interesi i Politički Proces, p.149.

these communities and associations.¹⁸ Kardelj's notion of the real citizen corresponds to Hegel's notion of the concrete person, concrete as a member of an organic system of mediation into a concrete universal. Kardelj wanted a system that would affirm the individual as a whole person, one whose substance is organic representation out of affirmative production relations. But Yugoslav political theory remained within abstraction by accepting direct democracy as the antithesis of political representational democracy. Hegel saw that the radical democratic notion of direct democracy, deriving from the Rousseauan tradition, is abstract because it is premised on the direct identification of the individual with the universal.

Although agreement socialism recognizes both the necessity for organic mediation and for the subject of self-management to be a universal self-manager, self-management has, in practice, simply meant decentralization. For a concrete system of self-government there must be a central self-governing body which is accountable to the whole public through an open and critical discourse on global relations.

The weakness in Kardelj's critique of merely political representational forms is his misunderstanding of the concrete as the specific and the particular.¹⁹ In his critique of political pluralism, he writes that it is

¹⁸ Ibid., p.131.

¹⁹ Kardelj, Democracy and Socialism, p.58.

abstract because universal. He implies that universalization necessarily means abstraction. His rejection of the universal in favour of the specific implies that self-management cannot, in principle, have a universal dimension. Sometimes he will write that it must be universal, but nowhere does he incorporate the concrete universal into his notion of self-management.

According to Kardelj, the delegate system:

is not founded on a pluralism of some general political interests, but rather on a pluralism of the specific social interests of working people and citizens, ...²⁰

Political interest is a species of particular interest, like a sport.²¹ Concrete self-government means "a free airing of opinions on specific problems".²² Self-management pluralism is concrete, i.e. "real", because specific and particular interests retain their particularity when mediated with other specific interests.²³ This is concrete in Marx's sense of qualities meeting qualities, but not as a moment of concrete universality. This mediation is universally self-conscious and also substantive, "real", as the real life of particular associations and as the developed capacities of individuals.

20 Ibid., p.189.

21 Ibid., p.233.

22 Ibid., p.134.

23 Ibid., p.123.

Kardelj is not clear about what he means by political. He equates political with the universal, and universal with the abstract. The political is not necessarily abstract as Kardelj implies, nor is it necessarily oriented to the state in the sense of being oriented toward estranged relations of power. The struggle of the working class for socialism is a political struggle, aimed at the transformation of the totality of relations. A political interest or issue is oriented to the self-government of a community. If the self-determination of the totality is estranged through the dominance of a particular interest, then the political is the expression of estrangement. But it does not follow that true self-government should come from the denial of the political expression of interest. True universality is the result of the free expression of self-governing communities in determining the global direction of society. Partial interests must express themselves as moments of the universal determination of socio-political life. They must formulate themselves as political both to participate in the universal self-determination of social life and to turn this universality back onto themselves to determine ethically their particular activities and interests.

The belief that political estrangement is a consequence of vertical intermediation led to the establishment of self-managing communities of interest. These were believed to be the institutional form of the negation of the state

which would end political alienation through the direct transfer of labour from the value-producing to the service sector of associated production. Value needed for the reproduction of cultural life is not transferred to a coercive structure above those who produce that value; instead, it is transferred directly to those engaged in cultural production.

The idea was to transcend the distinction between economic and non-economic which is a prejudice of capitalist society. The real main impetus to the growth of the forces of production is the improvement of man's socio-economic being. The purpose of the free exchange of labour is to break down this distinction and to unify the human social labour process into a whole that does not give those activities directly concerned with the improvement of human conditions a lower value, or sometimes, no value at all.

Free exchange of labour does not mean simply the exchange of labour equivalents:24

A situation in which only labour is exchanged for labour - either in its physical form or in the form of products - presupposes the separation of labour from its original bond with its objective conditions, as a result of which it appears, on the one hand, as simple labour, while on the other hand, and unlike it, its product as materialized labour, develops quite an independent existence as value. Exchange of labour for labour - ostensibly a condition of workers' property - rests on the worker not having any property at all as his

24 Kardelj, Contradictions of Social Property, p.12.

base.25

Indeed, the capitalist system is one based on the exchange, at the phenomenal level, of labour equivalents but where the labourer is estranged from the conditions of production.

The free exchange of labour is a direct relation of exchange between the users and producers of a service meant to replace both the bugetary and the market modes of financing social services.²⁶ It is meant to be a substantively self-conscious mode of exchange:

In the system of expanded reproduction in the self-managing socialist society and economy, the principle of free exchange of labour marks a shift towards a unique, purposeful distribution of income for all forms of consumption and thus also the beginning of the process of transformation of surplus labour into necessary labour.²⁷

But the fact that a relation is direct does not contribute to its being self-conscious. Self-consciousness is fully aware of how its own action determines itself when this is comprehended as a moment of the totality of relations.

The current Yugoslav notion of the free exchange of labour resembles the neo-conservative demand for funding social services through voluntary contribution at the local

²⁵ From Karl Marx "Epoche ekonomske formacije društva" (Beograd, 1960), pp. 69-70 quoted in Ibid. see also, Karl Marx, Pre-Capitalist Economic Formations (New York: International Publishers, 1965), pp. 114 & 118.

²⁶ Ksente Bogoev and Pero Jurković, "The Fiscal System," in Rikard Lang et al eds., Essays on the Political Economy of Yugoslavia (Zagreb: Informator, 1982), p.209.

²⁷ Berislav Šefer, "Social Policy," in Ibid., p.359.

level. Authentic, free and equal relations presuppose the reintegration of the producer with the conditions of production into a totality which is self-consciously mediated out of its various autonomous moments. Free exchange of labour is truly self-conscious as a moment of a concrete totality, where the self-consciously organized system of needs is mediated through a scientific discourse on the universal and given objective expression in law. Exchange is self-conscious only when substantive subjectivity is given full expression and mediated as a moment of concrete totality.

The self-management/self-government system is based on the legal interaction of organic associations. These play the same role vis à vis the workers as in Hegel's system, where they are a sphere for political activity and the locus for the political development of the individual. Mutual relations are managed through voluntary agreements struck by self-interested work communities and communities of interest in accordance with the global values of a self-managed society. Self-management agreements regulate relations within and between organizations of associated labour. But socialist ethicality is in no way immanent in this self-interested contractual behavior.

The main problem with self-management is the lack of compliance with agreements and the difficulty in applying

sanctions when agreements are not followed.²⁸ As Hegel's theory suggests, the solution to this difficulty lies in the transcendence of self-interested particularity by the universally self-conscious particularity of associations which are self-determined, not as they defend their particular interest, but as they transform themselves into particular moments of universal human development.

4. The Delegate System in Form and Content

Socialist self-management develops with the transformation of state functions into social functions.²⁹ The integration of the state into society begins with the replacement of the atomistic liberal representative system by organic representation through the delegate system. Similar to money in capitalist society, or the administration in statism, the delegate system of representation is the great mediator, the universal relation that is supposed to bind the whole social formation together. All the elementary cells of association, including the socio-political communities, organizations of associated labour and self-management interest communities, have the same delegate structure and are to be brought up to the global level by

²⁸ Prvoslav Lukić, "The Subjects of Self-Management Compacts and Agreements," Socialist Thought and Practice 23 (September, 1983):45.

²⁹ Hamdija Pozderac, "The Role of Socio-Political Organizations in the Political System," Socialist Thought and Practice, 23 (October, 1983):11.

the delegate system.³⁰ The currency of this delegate system is self-consciousness, in the form of self-management agreements and social compacts.

While there was delegate representation before, the 1974 Constitution introduced the delegate system as the key integral relation for the socialization of politics and for the integration of living and work communities. As a form of direct democracy, proceeding upwards through levels of integral socio-political community, delegates are part of and directly responsible to their corporately structured immediate community. There are four types of vertical integrative community; labour-functional, socio-political organizational, territorial community and community of interest. The first three mutually penetrate at horizontal moments defined by the main territorial communities. The more recent self-managing communities of interest were left out of the general system of interest mediation.

Socialist democracy requires that the producer have both the knowledge and the means to influence the political system. Real self-management depends on the decision-maker being both well informed and competent. The right to vote on a matter is merely formal, open to manipulation and irrationality if it is not also attended by the responsibility of the decision-maker to be well informed and

^v30 Pašić, Interesi i Politički Proces, p.340.

competent.³¹ The volume of information available should be adequate, but not so great as to create boredom or to waste time. It should be in a form that is accessible and interesting to the layman, but not so oversimplified as to deprive the average participant of the sophistication necessary to make an independent and informed decision.³²

Participation, in-itself, is no guarantee that the producers are actually in control. Participation that does not address power relations is an ideological cover for domination. Participation is a question of power, that is, a question of who has the power to decide and of what structures these decision-making powers are set in. The most advanced and complete form of subordination is that of the voluntary articulation of domination. Actual power relations are unquestioned and untouched. In evaluating participation one should look at where it occurs, at what levels of organizational power, in what spheres of social production, and the degree of its legal legitimization.³³ On all of these counts Yugoslavia is a participatory society. The real problem is that its political system does not allow power relations ever to come under scrutiny.

³¹ Mladen Zvonarvić, "Social Power, Information and Motivation," in Obradović and Dunn eds. Self-Management and Organizational Power, p.185.

³² Ibid., p.190.

³³ Rudi Supek, "Participation and Industrial Democracy", p.36-7.

Delegates are not strictly bound to adhere to the direct instructions of their self-managing community, but must go into the delegate assembly meeting informed by the positions of their association and then vote according to the discussion and the positions expressed in the assembly.³⁴ This is obviously a delicate and contradictory role and leaves a wide opening for corruption and manipulation on the part of both delegates and particular self-governed communities. Such a system presupposes individuals with a developed universal self-consciousness, concretely grounded in the community of which they are a part.

Empirical research up till now shows that the delegate system functions more in fiction than in fact.³⁵ Most participants have no clear conception of the nature and function of the organs to which they belong. The councils of immediate communities do not always meet, and the delegates do not always inform or consult with their constituents. The delegate system is also burdened by the incompetence of delegates and by the time-consuming nature of debates in which people stubbornly defend partial interests. Delegates are most often not sufficiently informed to participate in the decision-making process, or

³⁴ Kardelj, "The System of Socialist Self-Management in Yugoslavia", p.44.

³⁵ Jovanov, Dijagnoza Samoupravljanja, pp. 160-62.

else they are unable to master the material.³⁶ They become apathetic and do not attend meetings. Apathy comes from two sides, both from lack of capability and preparedness and from a sense that their efforts will have very little influence. The socially recognized results of one's labour in the delegate system are meagre or non-existent.

While workers vote, and vote a great deal, they very rarely truly decide because what they will be voting for has already, to a large extent, been decided.³⁷ They are very often represented by semi-professionals who, while formally holding a certain position in a work organization, spend their time as representatives.³⁸

The workers' weak influence over the whole structure of social power is directly reflected in their material position. It is often claimed that wages in Yugoslavia are bound to productivity, but administrative personnel receive a salary independently of economic performance. Material reward is not distributed according to one's work, but according to one's position in the institutional structures of society.³⁹

The growth of self-management institutions does not necessarily mean an end to political alienation. The

36 Pašić, Intersi i Politički Proces, pp.314-16.

37 Jovanov, Dijagnoza Samoupravljanja, p.336.

38 Ibid., p.48.

39 Ibid., p.178.

formal-legal and administrative behaviour characteristic of the state may simply occur in this new institutional environment.⁴⁰ Self-management organs, which embody formal-legal practice, continue the political estrangement of state from society. The bureaucracy has usurped power from the workers in Yugoslavia not in the classical form of the direct state administration of all aspects of social life, but through the growth of formal-legal relations.⁴¹ The general solution for the problem of bureaucratic usurpation in all its various forms is an autonomous workers movement that struggles for the class's long-term interest outside, and even against, the institutions of an ostensibly proletarian order.⁴² Kardelj thought that the unions should take an active role in the delegate system to help worker delegates to formulate independent positions so that they would not, as is usual, simply rubber stamp policy formulated by professional representatives and administrative staff.⁴³

According to its formal-legal conception, the delegate system arises out of the cells of self-management. In reality it is bound to the state as part of its political operation. Rather than representing interests from below,

40 Ibid., p.95.

41 Ibid., p.91..

42 Ibid., p.83.

43 Democracy and Socialism, pp. 230-31.

it represents the state to these interests.⁴⁴ Jovanov describes the delegate system, and the workers through it, as "umbilically bound" to the state.⁴⁵ Real power lies in the executive committees of the assemblies of socio-political communities and of the state administration.⁴⁶

In large part, the delegate system of representation is ignored, and the normal channels of influence are personal connections between the leading people and functionaries in the skupština, state administration, banks and large enterprises.⁴⁷ The cumbersome character of the formal decision-making process has shifted decision-making power over to informal processes. Someone gets something done through personal connections.⁴⁸ Informal groups and networks exchange favours. This informal system achieves results much more readily than the formal mechanism and currently threatens to undermine the delegate system.

Self-management has been evaluated without considering the question of the class-in-itself versus the class-for-itself. It is assumed that if a majority of the participants are workers, then the producers are governing. This may only indicate that this majority is being manipulated.

44 Jovanov, Dijagnoza Samoupravljanja, p.87.

45 Ibid., p.88.

46 Ibid., p.47.

47 Pašić, Interesi i Politički Proces, pp. 314-15.

48 Ibid., p.352-57.

The real question is what subjective forces, what interests, have the main influence on these bodies.

The worker is objectified as someone holding a certain sociological position with respect to the social division of labour, regardless of what he thinks. Would those who have obtained a self-consciousness of themselves as creators, rather than as consumers, necessarily occupy manual labour positions in a socialist society? It is most likely that they would realize this goal in self-satisfying labour. Their positive identification with the socialist project would stimulate them to hold positions of responsibility. They would be privileged. They would not be part of the objective sociological category that is believed to be the principal social class bearer of self-governing socialism.

The successful functioning of the delegate system depends on the transformation of the basic subject of political decision-making. This producer, however, is no longer the simple proletarian manual labourer. More and more he is a professional who exercises managerial responsibilities.

The most concrete Yugoslav formulation of self-management pluralism is as a form of professional pluralism wherein hierarchic relations are negated by horizontal relations between competent, self-organized associations that bind together out of the division of labour through

voluntary agreement.⁴⁹ Though capturing the true substantive basis of self-government in self-affirmative work, such merely horizontal relations would also leave the totality of social life subject to the contingency of self-interested contracts. These professional associations, and their individual members, would need to possess the capacity to see beyond their particular interests to the universal interest, and also to judge the given predominant expression of the universal interest on the basis of the consequences of its social objectifications. For universal self-government, professional association must be dialectically inverted into concrete universality. The concreteness of this system would depend on the capacity of its associations to turn the project for universal human liberation in upon their own particular discourses and activities. Through such dialectical mediation, the specialized producer may become a universal producer and universal social life may obtain a real life in particular associations of self-affirmative labour.

5. Socialist Interest Mediation

Interest, conceived only as immediate material interest, is a liberal-bourgeois and pragmatic notion.⁵⁰ The self-management notion of interest primarily addresses the

⁴⁹ Veljko Rus & Vladimir Arzenšek, Rad Kao Sudbina i Kao Sloboda (Zagreb: SNL, 1984), p.266.

⁵⁰ Pašić, Interesi i Politički Proces, p.273.

rapidly growing area of post-materialist needs in which social affirmation is conceived as human fulfillment, not as consumption.⁵¹ This notion is premature for Yugoslavia but compatible with the direction given by the scientific-technical revolution, wherein progress in production is not so much determined by the results of current labour as by general, social scientific and creative labour, and wherein the main impetus to the growth of demand is not simple material need but cultural and creative need.

Socialist self-management should be the formal side of the concrete development of culture. Just as advanced technology makes manual labour largely redundant and changes the position of the producer in production, so that he stands over the production process as a potential self-manager, so it also changes the basis of interest formation. The locus of interest formation shifts from current labour contribution in the social division of labour, to self-affirmation as a general creative social producer.⁵²

But the main source of conflictual relations in socialist society remains commodity-money relations. These relations carry their own implicit negation toward post-materialist values as manifested in the phenomena of unemployment and the lengthening time spent in school. This new

⁵¹ Edvard Kardelj, "The System of Socialist Self-Management in Yugoslavia," in Bošković et al eds., Documents, p.13.

⁵² Ibid., p.48.

sphere of needs and production grows more rapidly given a strong socialist value orientation toward cultural development. But socialist economic systems are still based on the recognition of materialized objective labour and, hence, are subject to crises. Post-materialist values imply a new notion of work as self-affirmative labour. Socialist self-management will negate both capitalism and the old socialism to establish a social formation of concrete ethical universality through the dialectical development of professional labour.

The picture of a harmonious end to politics with a scientifically administered society after the revolution is an absurd utopia. Nevertheless, it is the doctrine accepted by every socialist country, including Yugoslavia. Yugoslavia accepts the existence of commodity-money relations and even of classes, but makes no effort to accept the political consequences. The political system is organized on the principle that there are no fundamental conflicts.

The socialization of the main means of production is not sufficient to overcome class contradictory relations. The contradictory character of production relations may be assessed essentially with respect to the question of who controls the necessarily concentrated and centralized portion of expanded reproduction.⁵³ The Yugoslavs have

⁵³ Edvard Kardelj, Samoupravljanje i društva svojina, p.128 in Djuro Medić, "Relations of Production and the Class Struggle," Socialist Thought and Practice 23 (April, 1983):101.

attempted to avoid this central question by equating self-governing socialism with decentralization. This has dispersed class contradictory relations away from the central state administration, but it does not signify an end to relations of domination any more than the even-handed guarantees of the bourgeois state mean that the media, economy and political process are not owned and operated by those who possess extensive private power.

Democratic socialist control over the concentrated and centralized portion of dead labour may be analyzed from the perspective of the harmonization of various competing interests. In Yugoslavia, interest integration in the sphere of associated production is complicated by the strength of group property tendencies and by the territorialization of capital accumulation and economic direction. In the sphere of political relations, it is inhibited by technocratic limitations on the self-government of the producers, localism and nationalism.⁵⁴ Particular interests are sovereign, and the global societal level is conceived from the instrumental perspective of how it can contribute to one's partial interests. This failure of the global level to assert itself has allowed the strongest and best organized partial interests to reign supreme in their own functional and territorial localities.

Political alienation is to a certain extent inherent in

⁵⁴ Pašić, Interesi i Politički Proces, p.196.

interest representation, regardless of the system. The mere institutionalization of interests fetters their free and spontaneous articulation.⁵⁵ Recognized interests gain a special position over those not recognized and those which arise later. The establishment of any system of interest representation introduces a hierarchy of interests in which established associations have a vested interest in keeping new associations out of the mediation process, so that their own demands will remain predominant.⁵⁶ There is the further problem in the relationship between the subjects of various interests and their representatives. The mere presence of an organization which does things for the members may generate apathy.⁵⁷ Institutions may dominate their clients in their own organizational self-interest. The executive and permanent staff may use the base of the organization as a vehicle for their own power.⁵⁸ Even the most open system may hypertrophy into a rigid system of power distribution between dominant interests, to the exclusion of both less powerful and more recently developing interests, and of the membership base of their own organizations.⁵⁹

Najdan Pašić hints that the Yugoslav system has drifted

55 Ibid., p.251.

56 Ibid., p.248.

57 Ibid., p.252.

58 Ibid., p.251.

59 Ibid., p.253.

into a confederal or corporative-contractual system in which the main institutionalized interests dominate to the harm of individuals, other interests and the global system. Corporate bodies are hierarchically represented to the centre where they bargain to their own advantage at the expense of society. The global level has become a contest ground on which these large organized interests compete for mutual advantage.⁶⁰

Yugoslavia has experienced a growth of the articulation of partial interests without the simultaneous growth of a means to aggregate and synthesize these into demands that may enter into the process of political decision-making.⁶¹ This situation has produced the combined phenomena of anomie, apathy and extra-system activity and pressure, as well as a growth in the political representative character of the system. The strength of partial organizations and their mutual antagonism feed back into the system to strengthen partial interests and to weaken the centre.

Without an extensive and all-inclusive structure to articulate, aggregate and synthesize interests on the basis of self-governing relations, the alienation of political power increases as the democratic right to organize and defend partial interests increases. The political system is overloaded with demands, necessitating the growth of a

⁶⁰ Ibid., p.264.

⁶¹ Ibid., pp. 272-73.

special stratum of professional politicians to represent and mediate interests from above. Far-reaching democratic right, conceived as the right to make demands, without regard for the rights of the political community as a whole, leads to systemic failure and/or the alienation of political power to a stratum of professional politicians as the final arbiter between the conflicting interests. The individual is fragmented inside various partial interest groups and becomes the abstract citizen of a politocracy in which party members assume a privileged social and material position over the rest of society.

According to Pašić and Kardelj, political interest expresses itself in the form of a political demand, which means that it orients itself to the state.⁶² Political interest is the substance of political life. When political interest disappears, so will political life. From an orthodox Marxist-Leninist position, political interest is merely the condensed expression of class interest. When classes disappear, so will politics.

Each area of investigation calls for its own precise definition of interest. Each perspective on society reflects the origins and social position of the observer. Marx and Engels were active participants in the revolutionary transformation of capitalist society and, as such, were

62 Ibid., p. 176.

most interested in historically transformative interest conflict. Their theory of interest is placed into a theory of history where class interest is the driving force of historical transformation. The substance of political interest is the history-making activity of a class.

Socialism is the self-conscious organization of society according to the historic interests of the direct producers. Hence, in Marxism, interest is a species of historic self-consciousness. Proletarian political parties conduct a political struggle by linking short-term, day-to-day interests to the class's historic interest.⁶³ This historic interest is the abolition of its wage-labour status and the establishment of relations of associated work through the transfer of the management of the social means of production to self-governing organs of associated labour.⁶⁴

This is the concrete universal as Lenin employed it. The totality is the long-term, historic interest of the class. The particular is the strategy of a given historic period. A period is punctuated by historic struggles or events that resolve certain major questions. The "individual" is the tactics adopted toward certain immediate demands and events. Tactics should mediate these demands and events toward the realization of the historic interest of the proletariat, which is the establishment of self-

63 Ibid., p.41.

64 Ibid., p.42.

government on the basis of free associated production.

According to Pašić, for Hegel, interest is a substantial desire self-consciously realized through the work of the subject:

For Hegel interest is - the substance of the desire towards whose realization is directed the work of the subject. Work, activity, practice, as the essential characteristics of each subject, enable the transition from the subjective to the objective. This discovery of the dialectical unity of the subjective and objective in the single category of interest has particular significance.⁶⁵

The materialist reinterpretation of this dialectical notion of interest is a starting point for the Marxist notion of interest.⁶⁶ Pašić criticizes Hegel's idealistic negation of individual and particular interests into the idea of the state. In doing so Hegel rejected the objective dialectic of interest and absolutized and mystified the universal.⁶⁷

Interest is the conscious orientation of structural groups, a subjective orientation with an objective social reality.⁶⁸ The dialectical materialist concept of interest has two principal fulcrums. First, interest is primarily determined by a group's position in the global system of material production and distribution.

Second is the conception of interest as the

65 Pašić, Interesi i Politički Proces, p.17.

66 Ibid., pp. 17-18.

67 Ibid., p.118.

68 Ibid, p.141.

category in which is expressed the real dialectical unity of the objective and subjective sides of the concrete social situation of an individual and of a social group, ...69

Underlying this unity is the notion of man as the creator of his own history, as a being of praxis. The notion that man creates his own history necessarily brings in the question of the motivations of social groups and individuals - of the subjective determination of their action.⁷⁰

In Marxist theory, interest is primarily established and defined by one's position in the social division of labour, described and interpreted from a dialectical perspective.⁷¹ Various differing and intertwining interests are produced during the process of the material reproduction of life. Any particular level of social integration is a contradictory unity of individual, partial and general interests. In a condition of constant flux, where each mutually influences the other. Considered internally, as self-interest, interest formation has three components: one's objectively given position in the social division of labour, one's given consciousness, and one's conscious activity.⁷² These are bound together in a self-transformative dialectic wherein one's position in the social division

69 Ibid., p.34.

70 Ibid., p.143.

71 Ibid., p.162.

72 Ibid., p.182.

of labour and one's conscious activity mutually transform each other and one's given consciousness. Pašić gives examples of the intermediary place of interest in the mediation of the subjective and objective:

- 1) being - practice - interest - knowledge - stimulus to action;
- 2) necessity - practice - interest - purpose - freedom;
- 3) forces of production - production relations - interest - knowledge - value system.⁷³

Pašić breaks interest into three types according to the structural intensity of identification. Primary interest identification grows out of the historic life-situation of the main social groups such as peoples or classes. Secondary interest is the reflection of primary interest identification onto the political, cultural and institutional spheres. Tertiary interest is that of small groups such as the family, association or working community. This interest tends not to reflect social structural relations.⁷⁴

The Marxist dialectical conception of interest is underpinned by the ethical conception of human self-affirmation as practical activity on the terrain of history. Man is the creator of his own history. But if the creation of history is a political struggle, how then could socialism be without politics? The root of this problem goes back to Marx's mistaken notions of the concrete and human self-

⁷³ Ibid., p.266.

⁷⁴ Ibid., pp. 267-9.

actualization. Classes remain in a concrete social formation as the necessary particular moments in which the universal for human self-actualization is realized. As they are authentically mediated into concrete universality, these classes are "non-antagonistic", but they are only so if their particular interests are politically formulated. An end to politics is simply an abstraction which occludes either a political monopoly or the power of the technocracy.

If socialist self-management society, the long-term historic interest of the associated producers, is the self-conscious determination of the totality of social relations, then globally expressed interest, rather than disappearing along with social structural contradictions, will become a universal activity, not just that of certain very powerful groups. Political life, because it is not estranged and is not a denial for the vast majority, should blossom as it has never done before. The concrete mediation of the subjective and the objective is not the activity of resolving narrow and local issues, but activity that concerns itself with the universal life of the socio-political community and how this determines itself in particular and individual instances.

6. The Crisis in Mediation and the Formation of Nation-State Power Blocs

The strength of the state, as a repressive apparatus, is largely a function of the antagonistic relations in a society. In a society torn apart by fundamentally irrecon-

cilable interests, the general interest can only be expressed by a coercive state apparatus, usually on behalf of the dominant social classes.⁷⁵ In general, as Hegel wrote (Philosophy of Right, P218), the more self-managed and self-directed a society is, the less the coercive power of the state is required. Kardelj defined the problem in terms of finding those relations that reproduce themselves in a self-management direction of their own accord, without the assistance of the state or of ideological props provided by the League of Communists.⁷⁶

In Yugoslavia, title to property is social, but actual management is by a collective. Commodity production relations remain in the form of competing collective commodity producers who meet each other on the market as possessors of commodities and money.⁷⁷ Group property forms and statism are manifestations of the same phenomenon, the weakness of associated production. State power at the republican level has blocked market integration. Without a unified Yugoslav market, the basic material precondition for a global system of associated labour is not present. The fragmentation of production into enterprises that do not even cross republican boundaries, has spontaneously rein-

⁷⁵ Ibid., pp. 165-8.

⁷⁶ Kardelj, Contradictions of Social Property, p.107.

⁷⁷ Kiro Hadži Vasilev, "Theoretical Problems of Production Relations in Associated Labour," Socialist Thought and Practice 23 (May, 1983):34.

forced the power of techno-managerial centres and of national republics. The main danger of group property forms is not capitalism but that they may "spontaneously restore state-property monopoly and bureaucratic and technocratic rule".⁷⁸

The self-management system suffers a deep malaise of irresponsibility. This derives predominantly from the fact that self-managing organs are collectively responsible for their actions.⁷⁹ There is no sanction against the individual. Administrators, on the other hand, display a much higher level of responsibility because they are personally accountable for their actions. There is a strong tendency for materialized social power to shift toward those in administrative positions because it is their job to be informed and competent in matters of decision.⁸⁰ One would have to be a very democratically-minded administrator not to use this enhanced efficacy to shift decisions to one's own advantage. If decision-making is divided into three phases - preparation, debate and implementation - the administration strongly influences the first and last stages as it provides and assembles information and is responsible for executing or monitoring the execution of many tasks. It

⁷⁸ Kardelj, Contradictions of Social Property, p.90.

⁷⁹ Mladen Zvonarvić, "Social Power, Information, and Motivation," in Obradović and Dunn eds., Workers' Self-Management and Organizational Power, p.188.

⁸⁰ Ibid., p.186.

also influences the second stage because its expert opinions are given greater weight in the discussions.⁸¹ The delegate system is dominated by those in managerial or administrative positions. The workers may do a great deal of voting, but voting, whatever its frequency, is not an indication of the democratic self-managing use of power. It is a much better indicator of the rate of manipulation of publics.

Strong tendencies toward the re-establishment of technocratic-bureaucratic tutorship over associated labour came to the fore with the economic reforms of 1965. In free market conditions, the monopolies took over. The large banks, large enterprises and large retail operations assumed direction over the economy with the technocrats and bureaucrats in each at the head.⁸² Scientific-technical workers became the technocracy, a social stratum of managers who operate enterprises and manage corporate capital.

The technocracy may assume a dominant position in production, but to become a ruling class it must extend its dominance into the political sphere. The technocracy's control over the material conditions of social existence is accented by its high level of political efficacy. Better educated and more articulate, technocrats are better able to understand and to express their interests. The technocracy is able to achieve a higher level of internal cohesion and a

81 Ibid.

82 Pašić, Interesi i Politički Proces, p.360.

sense of social class unity. It comes into conflict with the state-party managerial stratum, but at the same time it finds in the political bureaucracy a natural ally in its attempt to secure a privileged position vis à vis rank-and-file producers.⁸³ Renewed political alienation took the form of a decentralized statism, wherein the technocracy and political bureaucracy form a power bloc that links the state administration to the large work organizations and banks.

The technocracy and the political bureaucracy tend to form a social class in the original sense of the term. They go to the same schools, move in the same social circles and inter-marry. They provide mutual support. The political bureaucracy sanctions the technocratic direction of material production; and the technocracy's dominant position is ethically grounded in production by the right to manage through superior knowledge.⁸⁴

The current system has only acted as a democratic screen to mask the dominant position of a professional political-managerial stratum.⁸⁵ The free expression of self-management interest mainly strengthened the expression of national interest. The result has been to strengthen the position of the managerial stratum and to crystalize a

⁸³ Ibid., p.327.

⁸⁴ Franjo Kožul, "The Specific Traits of the State Under Self-Management Socialism," Socialist Thought and Practice 23 (February, 1983):17.

⁸⁵ Pašić, Interesi i Politički Proces, p.361.

powerful technobureaucratic bloc at the national republican level, a bloc which speaks for the nation while advancing its own class interests.⁸⁶

The technocracy, through its knowledge, its administrative position in production and, especially, its decisive influence over the disposal of expanded reproduction, controls social capital. At the level of the republic, it has entered into a power bloc with the administration in the state, in the League and in the system of finance. This was most clearly shown in the Croatian crisis of 1971, when the Croatian party voiced demands for secession. The Yugoslavs keep the state as a means to protect national social systems; but the state, as an instrument of class power, may become the main reality of Yugoslav politics.

A policy of very high rates of investment has led to severe disproportionalities in the economy.⁸⁷ This has strengthened the dominance of the administration. The tendency has been for technocrats and bureaucrats to use their higher competence, social standing and class-like solidarity to monopolize the disposition of social surplus. Within the context of existing relations, the Yugoslavs could break up this power bloc between the republican level party, banks and large enterprises by abolishing the

⁸⁶ Ibid., p.362.

⁸⁷ Djuro Medić, "Relations of Production and the Class Struggle in the Works of Edvard Kardelj," Socialist Thought and Practice 23 (April, 1983):97.

federal structure of the League of Communists to stop the republican level parties from acting as the political expression of the technocracy and also by bringing credit relations under the central control of a delegate system within associated production.

Statist property relations are not necessarily regressive. Given that social transformation is a political struggle, the state is a necessary instrument in the revolutionary transformation of society. The question is whether the state establishes a new form of alienation in the act of abolishing the old.

The statist undermining of the self-managing community of interest was the greatest failure of the delegate system. There is no participation by contributors in self-managing communities of interest in determining the amounts assessed or the quality and extent of programmes. The voluntary transfers of value have become a mere tax paid to the republican level of government.⁸⁸ Self-managing communities of interest are hierarchically organized and operate as territorial organizations of republican state power. Instead of being a counter to statism, they have become one of the most serious sources of the expansion of the managerial apparatus of the republics, provinces and communes.

According to Pašić, the subversion of self-managing

⁸⁸ Pašić, Interesi i Politički Proces, p.382.

communities of interest results from the attempt of each republic and province to bring all spheres of activity under its administrative control.⁸⁹ This degeneration of political forms necessarily transforms the consciousness of the workers. Unity among producers is given less priority in the everyday satisfaction of needs than membership in a particular nation-state community.⁹⁰ The ultimate source of this problem lies in the poorly developed subjective capacities of the workers and their objectively subordinate position in production. But it also lies in the original conception which sought global self-government in the universalization of horizontal relations. A service sector based on 'free' contractual contingency leaves the alternatives of either accepting great social inequality or externally enforcing socialist ethicality.

The Yugoslavs misconceived the notion of the integration of man into a human community governed by self-conscious relations as integration into communities of a small, i.e., 'human', scale. They rightly believed subjectivity to be authentic if brought forward to the level of totality by delegates out of successively more comprehensive substantial communities. But immediate, face-to-face, direct democracy is a self-determination of particulars that leaves the contest for domination intact. If partial interests are not

89 Ibid., pp. 385-6.

90 Ibid.

posited in their universality, as universally valid propositions, they cannot be truly mediated into concrete ethicality. The contest of particular interests, self-determined by maintaining their quality as particular, results in a fictive general interest which is really a dominant interest. Interest associations should be able to bypass immediate communities and participate directly at the global level through mass media and direct elections. The illusion of the individual, as a universal self-manager in the local community, reduces the universal to particularity. This allows particular dominant interests to impose a false universal.

Free Associated Commodity Production

1. Concrete Democracy

According to Pašić, alienation in social production is the root of all other forms of alienation.¹ The form and the level of development of a political system are bound to their substantive side in production relations.² Private property and wage relations place a definite limit on the development of democracy. The abstraction of social production into capital limits a political system to the recognition of the abstract citizen.³ Similarly, the impossibility of concrete self-government in the Soviet system rests on the fact that workers are employees of the state. Only a formation of self-managed production relations can support a concrete democratic system.

Pašić recognized that the abstraction of political activity ends as the associated producers become the focal point of the political system.⁴ But associated production must be substantively affirmative, as a moment of a concrete ethical totality. If global social direction is not to be estranged from the producers, they must be internally

1 Najdan Pašić, "Self-Management as an Integral System," in Broekmeyer ed. Yugoslav Workers' Self-Management (Dordrecht: D. Reidel Publishers, 1970), p.3.

2 Najdan Pašić, Interesi i Politički Proces (Beograd; Izdvački centar komunist, 1983), p.300.

3 Ibid., p.304.

4 Ibid., p.4.

motivated by a concrete universal for human actualization. This universal, in turn, lives in the individual and particular actualization of human potential in various associations.

Kardelj believed that the abolition of wage-labour through a system of associated control over net income would transform the worker into a self-conscious producer. He believed that the root of social alienation is negated when the worker is working for himself.⁵ But as long as work remains an estranged activity, no system of mediation can free the direct producer. Workers remain alienated to the extent that their work is not intrinsically affirmative.

The integration of a class as a subordinate and dependent factor in the system of production necessarily results in the abstraction of class domination. A universally self-governed subject must be culturally developed and must self-consciously participate in the ethical direction of a particular branch of social production.

Self-regulation in the workplace is a functional equivalent of professionalism. As a step toward self-determination in the reproduction of social life, the norms of professionalism should be extended to all labour categories. These professional norms will become the internal side of concrete democracy as they undergo a dialectical

⁵ Edvard Kardelj, Self-Management and the Political System (Belgrade: Socialist Thought and Practice, 1980), pp. 31-2.

transformation in which the ethicality of their practices is determined as a particular objectification of the ethical universal. In this way the ethical universal is turned in upon professional practices. Determined as objectifications of this universal, these become the objective basis of the critique of the project. The project and the practices of free associations are mutually determined in the progress toward the realization of human freedom.

2. Self-Management Pluralism

Self-management is a producers' democracy wherein the man-producer, analogous to the man-citizen of liberal democracy, exercises sovereignty over the process of social reproduction. Self-management is not "industrial democracy", meaning an extension of representative democracy into the workplace. Democracy does not mean opposition, that capital and labour must be opposed, with the workers on one side represented by unions, and capital on the other, represented by managers. Nor is co-determination democratic, wherein thousands of workers are given the same representation as one employer or one small group of employers. Neither of these conceptions is democratic in the sense of equal individual rights in the workplace and in society.⁶ The citizen is concrete, hence truly self-

⁶ Rudi Supek, "Participation and Industrial Democracy," in Obradović and Dunn eds. Workers' Self-Management and Organizational Power in Yugoslavia (Pittsburgh: University of Pittsburgh Press, 1978), p.52.

governed, when brought up to the totality of socio-political life out of its substantial communities. Socialist self-governing democracy is the articulation and aggregation of the system of needs into labour organizations and interest communities and the mediation of their interests into a community of universal self-consciousness.

The separation of economic democracy from political democracy, or the notion of industrial democracy as opposed to parliamentary democracy, is erroneous. Although there is some truth to the notion of political democracy as formal and abstract, whereas economic democracy is more substantial, considering the two forms apart from one another is misleading. Liberal democracy is not political democracy without economic democracy, but entails the economic democracy of independent private owners. Current demands for 'economic' democracy are implicitly demands for new forms of political democracy that reflect new relations of social production.⁷ Socialist self-government is a new and distinctive historical form, which Kardelj called the political form of the withering away of the state.⁸

Socialist self-managed society is a global federation of producers' associations wherein the individual expresses

⁷ Kardelj, Contradictions of Social Property in a Socialist Society (Belgrade: Socialist Thought and Practice, 1981), p.19.

⁸ Ibid., p.20-1.

and develops himself as an associated producer, not as an abstract legal person. Such a federation is more than a compact or constitution. It is the legal recognition of a unity in substance because it is the reflection of organic relations in the system of needs.

Individual freedom, organizational autonomy and global social organization are not necessarily mutually antagonistic. In a completely free market system, decisions would be effectively beyond anyone's control. The uncertainty of decision-making would lower the effectiveness of democratically organized bodies to the point where the final decision is literally with the market.⁹ Greatest freedom can be had when individuals democratically control the global conditions of their existence through voluntary association according to common interest.¹⁰

Yugoslav socialists believed that as the scope and effectiveness of self-management agreements and social compacts grew, the need for state mediation and arbitration would decline.¹¹ This would in turn strengthen associated production. But their merely horizontal system of interme-

⁹ William Dunn and Josip Obradovic, "Workers' Self-Management and Organizational Power", in Obradovic and Dunn eds., Workers' Self-Management and Organizational Power in Yugoslavia (Pittsburgh: University of Pittsburgh Press, 1978), p.16.

¹⁰ Kardelj, Self-Management and the Political System, p.47.

¹¹ Pašić, Intersi i Politički Proces, p.339.

diation left general social interest without expression. Much as in liberal capitalism, free horizontal expression serves to occlude a monopoly over global expression, in this case not that of capital but of the League of Communists.

3. Neo-Classical Self-Management

The western view of self-management has been, in large part, shaped by Benjamin Ward's article, "The firm in Illyria: market syndicalism".¹² Ward believed that worker-managed enterprise will be less efficient than capitalist enterprise because the workers spend the profits on consumption. This perspective is deficient in that the Yugoslav system is treated as if it were essentially no different from capitalism, with the self-managed firm acting as a capitalist collective entrepreneur. There is no attempt to situate the empirical data and the hypotheses in the context of socialist goals. This approach betrays a lack of understanding of the Yugoslav system and of the actual environment in which a Yugoslav firm operates.

The contention is that self-managed enterprise is 'irrational' because it maximizes personal income, and not profit.¹³ Even if one accepted the validity of this approach, such analyses of worker-managed enterprise are wrong because enterprises in Yugoslavia are neither autonomous nor

¹² American Economic Review (1958) 48,3, pp. 566-589.

¹³ Janez Prašnikar, "The Yugoslav Self-Managed Firm and Its Behaviour," Economic Analysis and Workers' Management 14 (1980):1.

simply run by the workers. This was especially so at the time when Ward wrote. Their behaviour is determined primarily by external factors.¹⁴ An analysis of 147 work organizations in the 8 Yugoslav republics and provinces found that almost 60% of efficiency factors were externally determined.¹⁵

Jovanov questions the evaluation of self-management in terms of return on investment and increase in income.¹⁶ This 'economic' orientation rejects as merely ideological the idea that production could be for the satisfaction of human need. The real basis can be nothing other than profit. Success is measured in terms of the growth of consumerism and returns on capital. A true measure, however, would be in terms of human self-determination.¹⁷

Economic efficiency, resolved into monetary indices, is merely the objective expression of an ideological orientation. Any objective measure of efficiency has either a hidden or explicit ethical basis.¹⁸ Socialist self-manage-

¹⁴ Neca Jovanov, Dijagnoza Samoupravljanja (Zagreb: SNL, 1983), p.249.

¹⁵ Janez Prašnikar, "The Yugoslav Self-Managed Enterprise and Factors of its Efficiency," Economic Analysis and Workers' Management 17 (1983):35.

¹⁶ Dijagnoza Samoupravljanja, p.65.

¹⁷ Ibid., p.66.

¹⁸ F. Černe, "Ekonomska efikasnost i samoupravni sistem privrede," in Vesna Jugović et al eds. Ekonomska Efikasnost i Samoupravljanje (Beograd: Kultura, 1986), pp. 4-5.

ment implies a new civilization set on the standards of human self-realization. The commercially profitable realization of capital cannot be the measure of efficiency.¹⁹ An efficient firm would advance, and utilize the advance of, the subjective capacities of the labour force.

Western and liberal market analyses of self-management measure efficiency purely in terms of a firm's profitability. The implicit ethical judgement is that the highest good is the most rapid accumulation of capital. Such a perspective could conceivably find a certain chemical plant to be highly efficient, though this efficiency may depend on killing people, not to mention fish, downstream. It would be more efficient to locate certain manufacturing plants in extremely poor and highly populated countries, where the rapid destruction of labour capacities could proceed unhindered given an unlimited pool of unemployed labour. Despite the obvious unsuitability of such a measure of efficiency for socialist enterprise, western and Yugoslav liberal economists make this the sole basis for their economic judgement of socialist self-management.

Saul Estrin's recent book assumes income maximization for each BOAL. The BOAL operates on the principle of pure self-interest in conditions of perfect competition, that is,

¹⁹ Ibid., p.20.

in conditions of pure, ideal-type capitalism.²⁰ This is the self-management model common to Vanek, Ward and Meade. While useful as a source of observations for reinterpretation, this literature seems to be completely unaware of Yugoslavia's project for social self-government. Stephen Sack's Self-Management and Efficiency is very good but suffers from the same general problem. It is economic. It views self-management from a narrow economic perspective as market socialism, where socialism is an economic system, and so misses the whole point of the socialist project. It is sad that most of the best English-speaking experts on Yugoslav self-management cannot see any difference between this system and the introduction of a new productivity scheme at the General Motors Corporation.

This misconception of Yugoslavia by western economists has its source in the work of certain Yugoslav economists. The leading proponent of this economist tendency within Yugoslavia is Jaroslav Vanek, whose bourgeois theory of self-management is explored in Fuad Stanković's dissertation.²¹ Vanek's thesis is that it is a characteristic of workers' enterprise not to hire new workers when it in-

²⁰ Self-Management: Economic Theory and Yugoslav Practice, (Cambridge, 1983), p.11.

²¹ "Neo-Classical Theory of Self-Managed Economy," *Savremena Administracija*, Belgrade, 1981, cited in Djuro Medić, "Relations of Production and the Class Struggle in the Works of Edvard Kardelj," Socialist Thought and Practice 23 (April, 1983):95.

vests. But does a capitalist enterprise typically hire more workers when it invests in labour-saving devices? The secular pattern for capitalist enterprise shows that the ratio of workers to capital employed has steadily declined.

Vanek argued that a labour-managed firm should be financed externally because a worker controlled enterprise is inherently less efficient in the utilization of its labour.²² The reality, despite normative expectations to the contrary, is that BOAL's have always been financed mainly from external sources.²³ Enterprises have been kept at the level of simple reproduction. Investment decisions are dominated by the management organs of socio-political communities, especially those at the Commune level.²⁴ The disposition of investment funds is primarily in the hands of banks and socio-political communities.²⁵

The reality is not a worker-managed, free market economy, but a fragmented state/market economy wherein extreme particularization precludes planned control or the full operation of the market. Rather than a self-managed system of horizontal relations producing an organic unity in

22 "The Basic Theory of Financing Participatory Firms," in Jaroslav Vanek ed., Self-Management: Economic Liberation of Man, (Harmondsworth: Penguin, 1975).

23 Estrin, Self-Management, p.67.

24 Bogdan Trifunović, "Yugoslavia's Experience in Self-Management," Socialist Thought and Practice 23, 6 (June, 1983):38.

25 Pašić, Interesi i Politički Proces, p.346.

the system of needs, production is fragmented. Each work organization is separate from others and vertically linked to its commune or republican state.²⁶

Despite its reputation as the socialist country most open to market influence, Yugoslavia has a highly regulated market economy. Prices are controlled, and most investment decisions are made by socio-political communities through their control over credit. Yugoslav industry is highly concentrated, with strong monopolistic tendencies. But each enterprise monopolizes a market the size of a commune or republic. Enterprise is concentrated but not large.

Market socialist enterprise drifted in the direction of performing like a typical western enterprise. In the view of western experts, such a motion indicated the development of a truly workable system of self-management. In reality it brought Yugoslav socialism to its worst crisis. The experience in Yugoslavia showed that social enterprise, outside an integral system of social self-management, had an inherent tendency to develop into capitalist enterprise with the enterprise technocracy as capitalist entrepreneur. The entrepreneurial function is concentrated in the enterprise technostucture.²⁷

In the 1970's a completely new formula for socialist

26 Josip Županov, Marginalije O Društvenoj Krizi (Zagreb: Globus, 1983), p.23.

27 Ibid., p.78.

self-management, associated production, was developed. The change may have hastened the process of the technocracy becoming an entrepreneurial class because of the political-institutional confusion that it has fostered.

BOAL's were introduced in the 1970's in part to counter statist and monopolistic tendencies in the economy. All enterprises were in effect divisionalized into independent commodity producers. The basic premise of the reform was that markets operate not only between enterprises, but inside them as well.²⁸ Ultimately, each work unit must perform as if it were a world-market competitor. It was believed that, not only would this requirement enhance efficiency, it would also contribute to the realization of democratic self-management by small groups of producers in the conditions of modern industrial production. This divisionalization of corporations was motivated by agreement socialism's philosophy of self-government, as well as by the belief that maximum efficiency obtains from the adoption of market-type behaviour.²⁹

The lowest level of economic person is any agency capable of producing commodities. The socialist legal system, far from abolishing market relations, used the market to define the Basic Organization of Associated

²⁸ Stephen R. Sacks, Self-Management and Efficiency: Large Corporations in Yugoslavia (London: George Allen & Unwin, 1983), p.viii.

²⁹ Ibid., p.26.

Labour. Socialism was conceived as self-conscious commodification, rather than as the negation of commodity relations. Each commodity-bearing agent is a capital-possessing collectivity of producers. Each is a free actor in a market environment of horizontal contractual relations.

The political-institutional definition of enterprise has changed three times, from state enterprise, to self-managed enterprise, to organization of associated labour.³⁰ The new self-management agreement mechanism is so complex and time-consuming that the change to organizations of associated labour did not entirely alter enterprise behaviour. Formally it is an integrated system of associated labour, but actually it is one of independent profit-maximizing enterprise operating in a restrictive and highly distorted market environment.³¹ Work organizations continue to behave as independent collective entrepreneurs when deciding income, but not with respect to the allocation of labour and investment.³² The market is only partially operational, as a producers' market. According to Županov, capital and labour markets are not recognized. Where no other means of direction exists, this non-recognition precludes the 'rational' (capital's rationality) distribu-

30 Županov, Marginalije O Društvenoj Krizi, p.24.

31 Ibid., p.83.

32 Ibid., p.24.

tion of labour and capital resources.³³ These instead are allocated according to socio-political lobbying abilities. In a combination of the worst elements from both systems, the technobureaucracy runs the enterprise, but is now unrestricted by the market mechanism. Enterprises operate in a price-controlled environment where cost increases are simply passed on through a price increase.

There is a sharp cleavage between normative expectations and the actual political-institutional relations in work organizations. Work organizations have two structures, a participatory structure and a hierarchical structure. Formally the participatory structure is supreme, but real power lies in the hierarchical structure.³⁴ The aspiration for democratic and egalitarian work relations is contradicted by the actuality of oligarchical power relations.³⁵

In the formal system the worker is not a worker but an associated producer, bound to others through a self-management accord. In actual fact, the self-management agreement is a contract for labour.³⁶ According to Županov, this contradiction between formal and actual relations could be bridged through a new dialectical formula of organization. Associated production is organized around the principle that

33 Ibid., p.66.

34 Ibid., p.130.

35 Ibid., p.30.

36 Ibid., p.87.

each worker is a member of a production association. An enterprise is organized around the market principle that workers are hired through contract. A work organization must objectively perform, therefore, both as an association of producers and as an enterprise on the market. Both these roles must be formally recognized in its political-institutional relations.³⁷ But Županov's 'dialectic' of the recognition of the 'actuality' of capital's rationality would only be the explicit institutionalization of the estrangement of the direct producers and of the dominance of a technocratic entrepreneurial class.

There is no better example of technocratic consciousness than the 'scientific' analyses of liberal economists. Ideological blindness to class exploitation has been developed into a science which places absolute truth in the apparently objective motions of the capitalist market. Christopher Prout's recent book, Market Socialism in Yugoslavia, is interesting, highly informative and, unlike most literature, takes a holistic view of the socio-political system.³⁸ But it fails to understand socialist self-management because it unquestioningly accepts neo-conservative values as the evaluative basis of the system.

Economic efficiency is the highest good. This is

³⁷ Ibid., p.89.

³⁸ Christopher Prout, Market Socialism in Yugoslavia (Oxford University Press, 1985).

equated with the full realization of liberal capitalism, the apparent condition for highest profitability. Government regulation is bad because it interferes with the freedom of capital. Competition is good because it knocks down impediments to the freedom of capital. According to this belief, America should be very efficient. Japan and Korea, where regulation is close and competition is replaced by collaboration, should perform very poorly. Germany, where the economy is effectively planned by the banks, should be another laggard.

Prout calls self-management and social ownership "ideologically inspired features" of the Yugoslav economy.³⁹ These are 'artificially' grafted onto the true economy, which can be nothing else but the free and unfettered motion of capital.⁴⁰ Prout is not fully aware of the ideological pretensions of the word 'artificial'. It is as if the human economy were not man-made. Any human purpose or intention imposed on this free externality is alien and a distortion of its true nature. Truth is the objective spontaneity of the market. The class domination of the possessors of capital is thoroughly occluded. The ideologically predetermined thrust of Prout's argument is that the problems of Yugoslavia's economy are capital's problems, and these will be solved as Yugoslavia becomes a truly liberal capitalist

39 Ibid., p.2.

40 Ibid., p.28.

society. To solve its economic problems, Yugoslavia must introduce equity shares, profit-related securities, mutual funds and investment trusts.⁴¹

To be fair, the misconceptions of western economists to a great extent mirror those of the Yugoslavs themselves. This can be seen in the common ideological meaning given to the word "rational", which means in Yugoslavia precisely what it does for Mrs. Thatcher. Rationality refers solely to social action in conformity with the interests of capital. The most "rational" system of government is that which facilitates the highest profits, regardless of human costs which, at any rate, are external to this 'scientific' perspective. The rationality of socialist self-management is judged as the rational distribution of capital.⁴²

Yugoslav socialists, in rejecting the Soviet technocratic view of socialism, embraced the technocratic ideology of advanced capitalism. Economics, which finds truth in the free, external motion of capital, is the 'scientific' articulation of naked class domination. The interest of the dominant class is occluded as abstract, universal capital.

Self-determination was interpreted to mean the self-conscious comprehension of the market. Market relations were internalized and institutionalized into an associated form of production, but not inverted, or negated, into a

41 Ibid., pp. 85-88.

42 Ibid., p.23 & p.34.

subordinate moment of a higher ethical totality. The market thus becomes the ultimate determinant of social policy. The most fundamental ethical proposition that wealth is a means to an end, not an end in itself, is forgotten. Marx's critique of capitalism and the reason for a transition to socialism are also forgotten.

In a post-industrial society means and ends must become internal to man. The true source of wealth is external to the market. It is the self-development of our cultural capacities. This is why capitalism is in contradiction with itself, why its form of wealth is in contradiction with its means of production, why it is implicitly the inversion into socialism. Socialism is human self-determination because the true internal side of wealth is recognized and brought into a concrete totality. The legal recognition and operation of the market by the associated producers more closely resembles 'peoples' capitalism' than socialism.

When the human internal nature of wealth is recognized, social production is inverted into a concrete totality with an internal motion governed by human self-development, rather than by the externality of the market. Market socialism forgot Marx's critique of capitalism. It re-established the values of capitalist exploitation on an associated basis that masks a single party monopoly over global social direction. The fundamental point is that associated production should make cultural development, not profit, the

premise and result of production.

Market socialism posits associated production as a more egalitarian form of profit-oriented enterprise. The state is negated, as in neo-conservative ideology, through the universalization of the market as the basis of association. Such a universalization of commodity relations would establish a totalitarian system of the occluded domination of the possessors of capital. This, of course, is not the intention of Yugoslav socialists, but it is the 'economic' logic that underlies associated production as universal self-conscious commodification.

4. Socialist Commodity Production

Yugoslav self-management attempts to bring necessity under the self-conscious comprehension of the direct producers, but the realm of necessity is restricted to the market mechanism and this comprehension to contractual relations. Capitalist notions of work and reward are implicitly accepted. The mediation of freedom and necessity is sought within the confines of estranged labour and socially controlled capital. But contrary to this limited notion, the true mediation of freedom and necessity involves the development of a new notion of work, as intrinsically self-affirmative and devoted to its own internal necessity of the realization of our creative capacities.

For the associated producers to be truly autonomous and independent, they must be integrated in such a way as to

influence the human totality of relations. It is this totality that defines the limits of what they may do and their opportunities for creative undertaking. In Yugoslavia, this totality is deeply fragmented. Self-determination was taken to mean the freedom of particularity to maintain its self-interest. This was expressed in the principles that the control of all income should return to each BOAL and that ultimate sovereignty should lie with the Commune.

Socialist commodity production has two essential features: 1) the direct producers manage social capital; 2) they manage it with a full knowledge of and obedience to the economic laws that govern the motion of social capital in a socialist commodity production system.⁴³ Each BOAL is a commodity producer, managing social capital in accordance with the laws of the market. But it is also the primary subject of social planning, the starting point for the integration of social revenue and expenditure through self-management agreements and social compacts, and the base from which the delegate system begins to integrate itself into socio-political communities and self-managing communities of interest.⁴⁴

The Yugoslavs defined the transcendence of alienation as the integration of working and living communities into an

⁴³ Kiro Hadži Vasilev, "Theoretical Problems of Production Relations in Associated Labour", Socialist Thought and Practice (May, 1983): 32.

⁴⁴ Pašić, Interesi i Politički Proces, p.293.

integral socio-political community. Immediate community, on the basis of commodity relations, would begin to overcome the estrangement of the producer from capital. The division of value into necessary and surplus portions remains as the motive force of expanded reproduction.⁴⁵ The transitional period would be one of planned market relations, wherein the guiding principle is "to each according to his work". Consumption is apportioned according to the socially recognized results of labour; and surplus labour is to be allocated directly by the associated producers.⁴⁶

Kardelj's approach was not to abolish the market but to transform it from an alien totality into an instrument for guiding the relations between freely associated producers, thereby

reducing the market, ... to a purely organizational form of relations in a free community of producers. The market will, in fact, thereby cease to be a market.⁴⁷

The object is "to steer the market into becoming a mere 'technical device' for satisfying the material and other needs of the citizens and society".⁴⁸ The integration of labour and social capital counteracts the spontaneous action

⁴⁵ Vasilev, "Theoretical Problems of Production Relations in Associated Labour," p. 29.

⁴⁶ Vladimir Bakarić, "The Law of Value and Planning in Yugoslavia," Socialist Thought and Practice 23 (January, 1983):93.

⁴⁷ Kardelj, Contradictions of Social Property, p.76.

⁴⁸ Ibid., p.80.

of the market, leading to its transcendence as an alien force above human control.

Proletarian consciousness is shaped in large part by the dependence on current labour.⁴⁹ Kardelj focused on income relations in the proletarian's development into a socialist producer. He believed that the root of the workers' lack of interest in participation lay in the income relations of associated labour.⁵⁰ As long as income generated from the turnover of social capital is situated beyond the control of the associated producers, that is, in socio-political communities and at the managerial level of banks and large enterprises, workers will not want to participate in any schemes to pool resources.⁵¹ Their orientation will always be to keep as much income as possible in their work organization, since any income that leaves for some wider project is a loss of potential income.

Associated producers should derive their income from the application of labour to a portion of social capital.⁵² Kardelj defined social capital as "the joint resources of working people for expanded reproduction".⁵³ The basic source of estrangement in socialist society is the notion of

49 Ibid., p.97.

50 Ibid., p.97.

51 Ibid., p.53.

52 Ibid., p.10.

53 Ibid., p.6.

the acting owner.⁵⁴ This misconception, which estranges the management of social capital from the current labour of workers, is a remnant of the wage relation in socialist thought and practice.⁵⁵ The workers' property is conceived as his remuneration for current labour, while control over expanded reproduction belongs to "society", which means to some dominant social group which acts "on behalf" of the workers.⁵⁶ Authentic social capital is not estranged from the current labour of the direct producers.

Kardelj sought the mediation of labour into authentic social capital in income relations which gave the direct producers a responsibility for, and an income from, the management of social capital. An individual's income is not the reward for his individual quantum of labour. It is one's portion of the income earned from the collective management, by a BOAL, of a portion of social capital.⁵⁷ The ethical principle for personal income is reward for the results of labour, regulated in the sphere of associated labour by social conventions, compacts and agreements.⁵⁸

BOAL's have two instruments by which they control the integration of labour and resources and the distribution of

54 Ibid., p.8.

55 Ibid., pp. 41 & 140.

56 Ibid., p.41.

57 Ibid., p.84.

58 Ibid., p.89.

income. These are the BOAL plan and the BOAL internal bank. Planning occurs from the bottom up, through the mutual coordination of work organization plans. Each BOAL has its own bank, which holds and represents its past achievements of labour. A BOAL never loses control over its particular capital as it is integrated with other capitals. Through this absolutization of particularity, it is believed, the producers exercise direct control over the full cycle of social capital's circulation process.⁵⁹

One characteristic of a self-managed enterprise is that the entrepreneurial function is governed by the collective of producers as a whole. The relation between capital and labour is inverted, with labour hiring capital. The labour factor consists of two types, individual or direct work and collective labour or entrepreneurship:

Entrepreneurship as a factor of production reflects the fact that work is not performed in isolation. As a rule, it is organized and performed collectively. ... Non-labour income consists of various types of rents.⁶⁰

An important part of rent results from a situation wherein more advanced firms extract value from less advanced. Differential income on the basis of non-labour revenue is a measure of privatization, of the substantively non-social

⁵⁹ Ibid., p.134.

⁶⁰ Branko Horvat, "Fundamentals of a Theory of Distribution in Self-Governing Socialism," Economic Analysis and Workers' Management 10 (1976):25-6.

character of property relations.⁶¹ A more interesting application of this idea is that 'rent' may occur inside an enterprise, with the technocratic hierarchy extracting a rent from the workers.

Technological rent is currently a main source of the privatization of social property. What in effect occurs is a transfer of value from less technologically advanced work organizations to the more advanced. The latter have an obligation to maintain a rate of accumulation corresponding to their organic composition, but the tendency has been for work organizations to translate higher productivity into personal incomes rather than into funds for investment. This tendency has made the pooling of resources much more difficult and has aggravated national tension, with transfers of value moving from less developed to more developed regions in the classic pattern of capitalist development. Since self-management procedures for pooling resources have not developed, they have been pooled instead by using credit as a capitalist mechanism or by following the market pattern of capitalist society, involving take-overs by large and powerful firms when smaller ones are in a weak position.⁶²

The ability of the producer to be self-managing in the sphere of incomes policy depends ultimately on the informa-

⁶¹ Branko Horvat, "Social Property," Economic Analysis and Workers' Management 11 (1977):98.

⁶² Kardelj, Contradictions of Social Property, p.123.

tion system.⁶³ He must be fully informed, aware and knowledgeable. Kardelj advocated that many of the categories used to analyze performance in capitalist economies, such as profit, loss, and rent, be brought into more general and consistent use in Yugoslavia.⁶⁴ He further advocated a system of direct personal control over one's own past achievements of labour, both as a means to provide income security in old age and as a means to eliminate the alienation of one's own past labour.⁶⁵ He believed that this would mark a step away from capitalist credit relations toward self-managed relations in the distribution of the proceeds from past labour.⁶⁶ But would the political-institutional control of capital by the direct producers negate capitalism, or would capital become the true substantive basis of merely formal socialist relations?

Kardelj's primary concern for the integration of current labour and expanded reproduction through income relations is, to some extent, superseded by the contradiction between the value-producing and non-value-producing sectors. Unemployment is a permanent and growing phenomenon, the sign of the declining importance of value production as less current labour is needed to fulfill material

63 Ibid., p.121.

64 Ibid., p.135.

65 Ibid., pp. 140-1.

66 Ibid.

needs. The sphere of value production declines in post-industrial society, much as the importance of agricultural production declined in industrial society. The concern over the accurate division of income according to the materialization of industrial labour may eventually appear as dated as the Physiocrats' belief that peasant labour was the true source of the social surplus.

The division between productive and nonproductive labour is nonsensical in conditions where progress results from the general advance of culture. It unethically and irrationally regards wealth as an external fetishistic form, the production of monetary value, when true wealth is activity that raises the human quality of life. The Yugoslavs hoped to mediate the contradiction between 'productive' and 'nonproductive' labour on a self-governing basis through self-managing communities of interest. But as the value-producing sector declines in importance and unemployment grows, and as cultural production and the direct cultural reproduction of the species become the main activities of progress, two alternatives become apparent. Either there is a drastic cutback of social services and cultural activity, or income is severed from the conversion of materialized labour into value, and the reproduction of social life is established on the objective ethical recognition of self-affirmative labour.

If the production of social wealth is accounted as

commodity production, and the number of people engaged in this production declines relative to the total potentially active population, then these associated producers would become a privileged class, wielding an economic power over the whole of society. The wealth of a humanist, socialist society cannot simply be embodied labour, owned by the freely associated producers. Social wealth has a new meaning as part of a higher ethical order. It is the multi-dimensional affirmation of human capacities.

Kardelj can be forgiven for his concentration on advancing value production given his practical orientation toward the problems of a developing socialist country, but even here, value production is breaking down and the structure of post-industrial society is visible alongside that of industrial and agrarian society. The transition to post-industrial society could be more gentle here. The Yugoslavs have not allowed the cancerous growth of large urban centres, characteristic of industrial society. A significant proportion of the population remains on the land, and it is typical for urban dwellers to have some land. The less centralized structure of post-industrial society may establish itself more easily where the full logic of industrial capitalism has been blocked. The 'backward' agrarian sector, which has not followed the logic of minimal labour and maximum profit, produces food of a quality unknown in the 'advanced' countries. With quality

of life as the main measure of wealth, the non-toxic food and water, the combination of urban and rural life, and the personal orientation to educational advancement, may make Yugoslavia more wealthy than many industrial countries. But if they continue to measure progress in terms of the industrial production of value, with their main concern being the more egalitarian distribution of this value, then Yugoslavia is on the same road as the advanced capitalist countries.

The development of socialist democracy depends on the negation of the abstraction in which the totality of social relations is estranged from the social reproduction of life. Self-management, as the organic, self-conscious comprehension of commodity relations by organizations of associated labour, makes commodity relations the substantive basis of association. This new political-institutional form is necessarily limited by its substantive, and indeed explicit, basis in commodity production. It should not be surprising that the workers are alienated from these institutions and that the technocracy has emerged as an entrepreneurial class. The substantive basis of this class conflict lies in associated production as an associated mode of commodity production.

POLITICS AND CLASS FORMATION
IN CONTEMPORARY YUGOSLAVIA

1. Yugoslavia's Political Climate

Yugoslavia would most appropriately be analyzed as a developing country with a unique political system. This is shown in its alliance with India and other less-developed countries in the non-aligned movement and also by the desire of such countries as Algeria and Libya to copy the Yugoslav model. The fact that Yugoslavia has narrowed the gap between itself and the advanced countries, and has done so more quickly than many other members of the CMEA, attests to the success of workers self-management.¹ There has been a problem, however, of matching Yugoslavia's developmental needs to its self-management project. The decentralized model of self-management has accentuated regional differences. Demands for liberalization and greater enterprise autonomy disguise national interest. The Slovenes and Croats would prefer a more universal market mechanism, for they inhabit the most advanced parts of the country and have the competitive edge. The less developed parts of the country want planned investment and regional development. There is a curious anomaly in the fact that socialist development in Yugoslavia has enhanced regional and urban/rural differentials. Around 1950 Kosovo had an average

¹ Edvard Kardelj, "The System of Socialist Self-Management in Yugoslavia," in Bosković et al eds., Documents (Belgrade: Socialist Thought and Practice, 1980), p.19.

income two-thirds that of Slovenia. Today it is less than one-half.² According to data taken from Bartlett (1980), the difference between rural and urban incomes has increased two and one-half times between 1957 and 1973. If income in 1957 is represented as 100, then in 1973 it was 257.4 in urban areas and 98.0 in rural areas.³ Even so, northern republics resent being held back by the less advanced, and they associate centralized investment with Serbian hegemony.

One of the main problems for the development of socialism in Yugoslavia is the lack of an authentic proletariat. A very large proportion of workers are small-holding peasants who work only to supplement their income and gain a pension and rights to social security. They are not particularly concerned about the wages they receive nor about issues related to their work, for these are not absolutely central to their livelihood. Another negative phenomenon of Yugoslav society is its underdeveloped political culture. It is a traditional society wherein personalist and familial relations predominate. With the system of associational democracy unable to work in practice, almost everything depends on personal connection. The transition in Yugoslavia has been very gentle. The old classes tended to occupy the high positions in the new order and some of the old practices may have continued as well.

2 Estrin, Self-Management, p.51.

3 Ibid., p.202.

Yugoslavia is a class-divided society wherein all classes subscribe to a project that advocates the abolition of class differences. The essence of class structure is the generalized transfer of social position through the family. Despite the formal system of socialist self-management, members of the political bureaucracy, managers and those who have assets earned abroad in capitalist countries, reproduce their high social class position.

There are two political systems, one formal and one informal. Power is primarily mediated through informal group processes.⁴ These are not necessarily traditional regional loyalties. The most prominent were the relations of loyalty between the partisans. These were largely overcome as a result of the retirement policy, but new informal relations of power distribution have come into being as a means to avoid the representational rotation system whereby one holds one's position for a period of a year. The most powerful people in a particular territorial or functional locality will use their influence to get each other into important positions. The result is the continual rotation of the same group of people through the most important positions.⁵

Yugoslavia must be understood as transitional, with elements of both capitalist and socialist society. The same

4 Interview with Prof. Marinković 12 November 1984.

5 Ibid.

is true for the other socialist countries, but these tendencies manifest themselves in state bureaucratism elsewhere, whereas in Yugoslavia group-property ownership leads to the dominance of the technocracy.⁶

Phenomenally, Yugoslavia appears to be making a conscious attempt to repeat the developmental progress of capitalist America, with similar business organizations and massive amounts of the same crass commercial technique, but on the basis of the property forms of associated labour. As justification, Lenin's NEP is always invoked. But this is much more than a NEP. It is an acceptance of the social-democratic principle that it is impossible to skip over historic stages of development. The Yugoslavs believe that the most natural, free and democratic form of socialism will come out of an economic structure that emulates, as much as possible, the free capitalist economic system. They hope to be progressive in business and socially progressive at the same time, but the intense money-consciousness that results hardly points to the creation of socialist man.

This belief in economic competition, however, is entirely at variance with the political system. Political pluralism, political parties, competing interest organizations and competing media have been declared incompatible with socialism. The Yugoslav political and information

⁶ Djuro Medić, "Relations of Production and the Class Struggle in the Works of Edvard Kardelj," Socialist Thought and Practice 23 (April, 1983):94-5.

systems are monist. They are single-party systems with singular basic interest associations. According to Kardelj, the proletariat's weak position vis a vis more efficacious and powerful social classes must be compensated by a strong political apparatus, independent of and separate from management and the state.⁷ The political apparatus must organize the class like a state so that it will be able to carry out a constant struggle against the technobureaucracy.⁸ But liberal market relations, combined with external political direction, are a very far cry from the self-conscious direction of the totality of social objectifications by the direct producers.

As in most developing countries, one of the most significant cleavages is that between those who possess employment and those who do not. The acceptance of large-scale chronic unemployment has more serious consequences for Yugoslav socialism than for a capitalist system. The fundamental right of socialist self-management society, from which all other rights derive, is the right to work with the social means of production.⁹ Unemployment has produced two classes, one that participates in the social ownership of

7 Kardelj, Contradictions of Social Property, p.21.

8 Ibid., p.44.

9 Pašić. Interesi i Politički Proces, p.287.

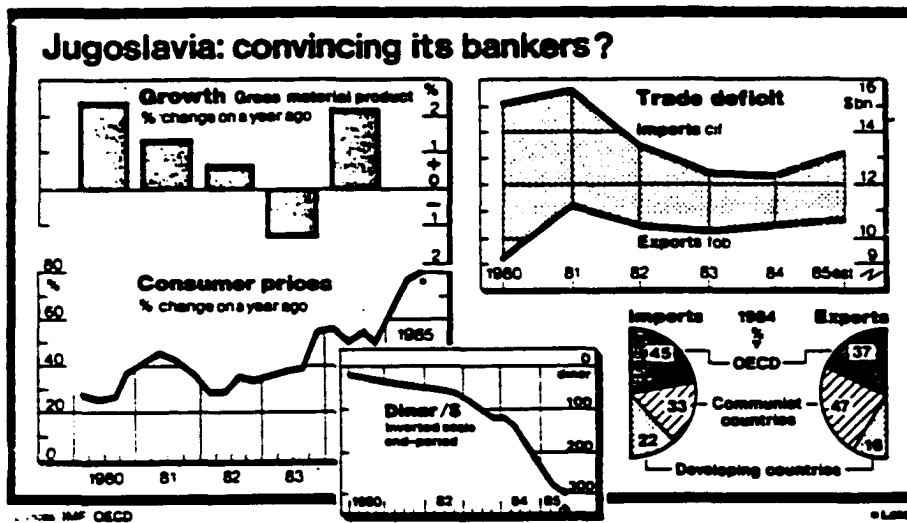
productive property and one that does not.¹⁰ The division between employed and unemployed is a much sharper and harsher reality in Yugoslavia than in the advanced capitalist countries. Since housing is normally provided through one's BOAL, an unemployed person is also a homeless person and dependent on the charity of relatives. Yugoslavia cannot afford a welfare system.

A climate of political instability makes empirical research difficult today. But first-hand observation of a system in crisis, when the system has laid itself bare for everyone to see, is not without empirical value. The sense throughout the country, by everyone at all levels, is one of disintegration and of an urgent need for reform of the political system left by Tito and Kardelj. The sense of disintegration is felt most acutely and directly in personal income. Inflation cut buying power drastically from 1980-1984. Professional workers were too poor to buy sufficient food by 1984, but to this income must be added almost free housing, health care and education.

This crisis may have been conjunctural for this non-oil-producing, less-developed country. Although statistics indicate that the worst should be over, everyone is acutely aware of foreign exchange values, sees the U.S. dollar rise every day against the dinar, and knows that

¹⁰ Kiro Hadzi Vasilev, "Theoretical Problems of Production Relations in Associated Labour," Socialist Thought and Practice 23 (May, 1983):37-8.

emergence from the crisis depends on Yugoslavia's ability to pay off its foreign debt, accounted in U.S. dollars. Even teenagers clearly remember when the dinar was 20 to a dollar, yet in 1984 it was over 200 and climbing. People in their thirties remember the change from the old to new dinars, when 100 dinars became 1. Statistics may show that the economic climate is improving, but what does this mean at ground level, for the average person? The economic climate is good in Thatcher's Britain, improving in Jaruzelski's Poland, precisely because the 'economic climate' for working people is dismal and getting worse. The same is true of Yugoslavia where, in the spring of 1987, a strike wave showed that workers simply could not take it anymore.



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In Yugoslavia personal consumption has been restricted to a minimum. The vast majority of value goes to new investment or to paying off debts on current borrowing for

11 Economist, 5 October 1985, p.78.

investment projects. The transfer of value takes place through pricing goods at levels above the ability of the workers to pay. The necessary result is to restrict personal consumption or to encourage purchases on credit, thus transferring today's problems to the near future. With an annual inflation rate of around one hundred percent in 1987, the longer payment of domestic debt is postponed, the easier it should be to pay. This behaviour in turn contributes to further inflationary instability. Yugoslavia's crisis is one of overconsumption relative to current production. The society, as a whole, spends more than it earns and makes up the difference by foreign borrowing.

Yugoslavia's most critical structural problem is in expanded reproduction. Accelerated development led to investment on a scale that the country simply cannot bear. Added to this are difficulties in the realization of investment and material wastage of the factors of expanded reproduction - for example, simple destruction of imported high technology through lack of care in handling or lack of knowledge of how to use it. The banks and socio-political communities responsible for investment decisions followed narrow particular interests, had no coordinated plan, and failed to control the overall amount of borrowing. Centralized control over investment was introduced in the mid-1980's, but this dam was erected after the flood.

The stabilization programme is an action on the part of the government to lower consumption and raise production. The aim is to restore balance, but balance at a higher level of productivity and specialization in production and, if possible, at a high level of consumption.¹² The goal of the long-term stabilization programme is to integrate Yugoslavia into the world market and to participate in the international division of labour through specialization and modernization.¹³ The orientation now is to reduce further the role of socio-political communities in investment decisions and to increase the exposure of such decisions to the direct influence of economic laws and market conditions.¹⁴ The hope is to stabilize Yugoslavia through horizontal market relations that balance production and consumption through exchanges of labour and positions worked out through the delegate system.

It has not yet been recognized that it is this very system of decentralized, self-interested 'investment planning' that is the root of social irresponsibility. The current neo-conservative motion toward "reducing government" cannot be reconciled with a project for the self-conscious direction of society. It transforms selfmanagement into a

¹² Milka Planinc, "Solutions and Prospects." Socialist Thought and Practice 23 (September, 1983):15.

¹³ Ibid., p.4.

¹⁴ Ibid., p.8.

liberal form of 'socialism' that masks the dominance of moneyed and other powerful interests, much as the ideology of liberal democracy covers naked class exploitation and the dominance of monopoly capital.

2. Class Formation

One of the most visible cleavages in the Yugoslav social fabric, mentioned by many social commentators as extremely significant but not yet fully analyzed, is the generation gap. Josip Županov calls the new generation the intellectual proletariat.¹⁵ But youth will become an intellectual proletariat only if they find jobs. This generation gap is, in part, a sign of severe structural dislocation. A very large number of young people have obtained and are obtaining high educational qualification without the corresponding opportunity to gain employment in their field.

Given the country's limited resources, when young workers do get a job, their salary will not be greatly above the average of \$100 U.S. per month in a country where many prices, including food and clothing, have drifted up to the world-market level. This incongruity is intensified by the observation that the youth culture is highly egocentric and materialistic. There has been a revolution of rising expectations, but mainly in terms of consumption. The

¹⁵ Marginalije o Društvenoj Krizi (Zagreb:Globus,1983), p.28.

standard representative of the youth culture is the trendily dressed, vain youth, unemployed because youth are not expected to work, living at home until family or some other personal connection finds a secure position. Though Marxism is a compulsory course in school, as in other East European countries, real knowledge of Marxism is extremely low. Dedication to socialist or egalitarian principles amongst youth is also at a very low level. The predominant ideology of the new generation is pragmatic individualism.

The existence of a market in Yugoslavia necessarily implies conflictual relations.¹⁶ Worsening economic conditions have intensified these conflictual relations and strengthened the tendency toward group property.¹⁷ The market distribution of the results of social labour has become the most divisive and disintegrative source of interest conflict.¹⁸ Conflict on the producers' market has become such a source of tension and bad relations that the BOAL, as the basic cell for establishing mutual relations in associated labour, has been brought into question.¹⁹

The BOAL is the "focal point" for the formation of contradictory tendencies.²⁰ The technostructure of the

16 Drago Gorupić, "The Worker-Managed Enterprise (1)," in Obradovic and Dunn eds., Workers' Self-Management and Organizational Power, p.139.

17 Pašić, Interesi i Politički Proces, p.287.

18 Ibid., p.290.

19 Ibid.

20 Ibid., p.292.

enterprise generates an interest conflict between professional and managerial workers and the traditional working class.²¹ Within the technological organization of enterprise, those in professional managerial positions dominate decisions on organization, orientation and production. The internal market within complex work organizations decomposes them into independent enterprises. This cleavage in the division of labour, combined with this market cleavage, in these conditions, transforms the technostructure into the enterprise entrepreneur with the rest of the work force as its paid employees. This situation contributes, at the base, to the disintegration of associated work and to the general fragmentation of Yugoslavia.

During the period of most extensive decentralization, in the mid to late 1960's, funds were mainly accumulated in the banks and large enterprises, especially those engaged in foreign trade.²² Genuine capitalist tendencies of a roaming commercial type developed in import-export firms both in their operations vis-a-vis other firms and in their internal organization. Though this capitalism is collective, in the sense that workers share in the gains, the means of sharing revenue does not subtract from its being capitalist.²³

21 Ibid., pp. 284-85.

22 Trifunović, "Yugoslavia's Experience in Socialist Self-Management", p.33.

23 Kardelj, Contradictions of Social Property, p.37.

The 1965 reform toward decentralization was introduced in the unfavourable conditions of an economic downturn with the result that instead of producing greater autonomy for producers' associations, it generated monopoly. Price and other controls were soon introduced, but the temporarily open economy freed the way for mergers and takeovers. The number of banks fell from 220 in 1963 to 64 in 1970; and the ten largest banks monopolized the investment market and 60% of short-term loans.²⁴ The decentralization reforms merely concentrated economic power into large corporations.

The fragmented character of work, the structure of technology, contradictions inside associated labour, and competitive market relations generate interest conflict. Yugoslav self-management, unlike other models of socialism, recognized the need for the free autonomous articulation of particular interests, but in this recognition forgot that the purpose of such articulation is to serve the self-conscious determination of the totality of social life. In capitulation to nationalist sentiment, the global dimension of socio-political self-government was simply left out. The persistence of nationalist ideology has assisted the formation of class relations in Yugoslavia. The liberalizing reforms weakened social control over the economy, but did not weaken the republican-level state. Liberalism and statism in Yugoslav politics have been complementary as the

²⁴ Estrin, Self-Management, pp. 70-1.

ideological expression of different fractions of the dominant class. Group property and state property are not necessarily antagonistic. The technocracy and bureaucracy bear the same structural relation to production in that they exercise control over production through their position in an administrative hierarchy.

The two main elements of the class are also antagonistic, however, in that they have differing bases of support, differing sources of legitimation, and are divided by nationalism. The technocracy has no particular basis of support or legitimation other than its own position in production and society and its claim to be the most competent to direct and organize. Their expertise is their legitimacy and, hence, they cannot accept the radical egalitarian principles of Yugoslav socialism.²⁵ The political bureaucracy, in contrast, is dependent upon the support of the proletariat. It must accept its radical egalitarianism, though in a very hypocritical manner, and defend its institutional forms.

This common social class is divided by the differing strength of its fractions in nationality republics. The technocracy is dominant in Slovenia and Croatia, the political bureaucracy in Serbia. The 1965 reforms were forced through by a coalition between the north and south

²⁵ Josip Županov, "Egalitarianism and Industrialism," in Obradovic and Dunn eds., Workers' Self-Management and Organizational Power, p.70.

against the Serbian centre.²⁶ According to Kardelj, the most critical political requirement of Yugoslav communists today is to "intercept the merging of 'managerial centres' in the economy with the apparatus of political power".²⁷ Were managerial centres and the political apparatus to join in such a power bloc, the new producer would translate control over surplus product and labour organization into political domination over the workers.

According to Županov, two main class blocs have already developed.²⁸ First, there is a bloc between the political bureaucracy and the traditional proletariat, with upper management included as a fraction of the political bureaucracy. There is no professional management in Yugoslavia. People are chosen for high managerial position by political rather than professional criteria. The second bloc is that between all professional strata and economic hierarchical strata who prefer the market mechanism and modern management technique. The substance of the first bloc is a common ideological commitment to self-management socialism, although some of the ideological precepts are applied in a very one-sided manner. The political bureaucracy does not apply the principles of socialism to itself. Concretely, in the workplace, the fusion is through the shop-floor manage-

26 Estrin, Self-Management, p.51.

27 Kardelj, Contradictions of Social Property, p.53.

28 Interview 8 December 1984, Zagreb.

rial personnel, who are promoted out of the regular workforce and are without professional qualification. In this way, the highest level of political management is bound to the lowest by common political loyalty and by joint resistance against the claims of the second bloc, i.e., the intermediate management strata and professional workers, who derive their status from professional qualification.²⁹

A curious kind of pluralism has emerged in Yugoslavia as a result of the multinational state system. Different nation-states are the highest level of aggregation for various interests. In Serbia one would be told that the problem with self-management is the emergence of a technocratic bloc in the economic system that is attempting to establish a new form of economic exploitation on the basis of collective (group) property forms. In Croatia one would be told that proletarian self-government has been usurped by a political bureaucracy, which has entered into a bloc with the proletariat on the basis of their mutual inefficiency. In this view the self-managed worker, like the political bureaucrat does not work. He spends his time in meetings, talking about work organization and, as a member of the management in a society with very traditional conceptions of what someone in a high position is supposed to do, does as little as possible.

The self-managed producer in Yugoslavia

29 Ibid.

(Serbia, Bosnia, Montenegro and Macedonia particularly) feels that he has greatest control over his human creative power and is exercising positive freedom in its most developed form at work while sitting drinking coffee and smoking a cigarette. The consumption of tobacco in Yugoslavia is astronomical, and coffee is either rationed or prohibitively expensive. This attitude is not surprising, for the work itself has no intrinsic value for the traditional proletarian. He conceives freedom as negative freedom, freedom from work, rather than as the actualization of human creative potential. Professionals, on the other hand, spend long years studying to improve themselves and view their work as having some intrinsically creative dimension. The Yugoslavs have not yet fully recognized that true associated production means transforming the direct producers into professionals.

Professional workers are an ascendent social class with both progressive and domineering tendencies. A progressive social class acts in the interest of the whole of society to raise up its capacities for self-determination through the development of the creative capacities of individuals and the enhancement of the society's global capacities for self-comprehension. A domineering class uses its advantages to exploit society as a whole. The new producer is not one-sidedly the bright, white shining hope of the future, but this group has a characteristic which may make it

generally progressive. Its own advancement depends on the development of the capacities of individuals, and this occurs generally in an environment of the increasing self-conscious capacities of the population as a whole. Its special property is educational self-development which is active, not as estranged labour in material production, but as affirmative labour in a pedagogical associational environment. This property is accumulated through direct personal labour in a necessarily associational environment. If the associational environment of professional education and work is incorporated into a truly human universal for the cultural development of mankind, then the historic orientation of the new producer may develop toward the universalization of self-affirmation, as opposed to its restriction by the technically oriented fractions of the new producer.

In a less-developed country like Yugoslavia, with no real capitalist class, professional workers and administrators enjoy a relatively privileged position. Kardelj hoped to overcome this problem through political-institutional reforms that would integrate labour and social capital under the supervision of the associated producers.³⁰ His ideas on associated labour stimulated the major reforms of the 1970's, including the 1974 Constitution, the introduction of

³⁰ Medić, "Relations of Production and Class Struggle", p.103.

BOAL's, the 1976 Associated Labour Act, and self-managing communities of interest. The purpose of the reforms was to prevent alienation by giving each BOAL direct disposition over its product. The reforms have not worked. Instead, legal forms have become more and more divorced from reality. The workers do not control surplus product. There is an economic crisis of high unemployment and inflation. The root of this economic crisis lies in a political system incapable of giving global direction.

The constitution of 1974 was intended to strengthen associated production relations and to bring the accumulation of social surplus under the control of the direct producers. Despite this intention, the effect was the opposite. The democratic reforms toward direct democracy in all spheres of social life so weakened the ability of democratic organs to act that the technocracy and bureaucracy were, in fact, greatly strengthened.³¹ The reforms down to direct democracy have hastened the disintegration of Yugoslavia. They have strengthened closed territoriality and autarky. What was meant to integrate Yugoslavia into a global system based on associated production has in fact continued its fragmentation into statist/group property segments.³² State power over associated labour was redistributed downward from the federal state and upward from the

31 Pašić, Interesi i Politicki Proces, pp. 376-7.

32 Ibid., p.377.

communes to the republics and provinces. The institutions of associated labour, the communes and federation, have been emasculated.³³

The Yugoslav political system is motivated by two primary ethical principles: the producers should control the results of their labour, implying human self-determination; and nations should also have a right to self-determination. These two main principles have been undermined by two phenomena, namely, national insularity and the persistence and growth of structural unemployment. It is as if catering to nationalist sentiment feeds an insatiable being whose appetite grows with the feeding. Smoothing over national conflict by extending more and more rights to the republics, rather than alleviating national tension, instead prepared the ground for nationalism to act as the integrative ideology for a new dominant class. The system of producers' democracy has, in turn, become meaningless for producers concerned mainly with mere economic survival, and especially meaningless for the large number of people, especially youth, who cannot ever become producers.

33 Ibid., pp. 386-7 & 407.

The Subjective Factor and the Crisis in Self-Management

1. The Project as Ideology

The notion of project, as opposed to ideology, corresponds most closely to Hegel's concrete universal. A true project for universal human self-emancipation is an ethical universal mediated through self-critical reflection on experience. Hegel divides philosophy into three parts

the science of the Idea in and for itself ...
the science of the Idea in its otherness ...
the science of the Idea come back to itself
out of that otherness.¹

This corresponds to the project, the project's objectifications, and the critical reflection upon objectifications both to judge results and to develop the project. The real life of a project is immanent in the practices of individuals and self-governed associations. The participants of a concretely democratic system of socio-political life develop this project dialectically through a critical self-reflection upon objectifications that internally transforms both the project and the participants themselves.

The main cause of the current crisis in self-management is usually described in terms of the weakness of the subjective factor. This usually means the weakness of the League and its allied socio-political organizations in developing and stimulating the acceptance of the project for

¹ G.W.F. Hegel, Hegel's Logic (Oxford: Clarendon Press, 1975), P18.

self-management. Mijalko Todorović, the main theorist on the party, at first conceived the League of Communists as a "collective intellectual" whose power is as a social consciousness which influences working people through the force of argument.² He now sees that the main weakness of the subjective factor lies in this very conception, which estranges subjectivity into an external guiding force.³

The subjective factor is the internal, self-motivating side of self-management, the intrinsic orientation toward a globally self-conscious and self-governing society. It should exist in substantive relations. Substantive implies a necessary relationship between the mode of production and means of production, or between the system for the production of ideas and that for the production of social life. This internal side will develop as the vanguard begins to relinquish its monopoly over the objective, or global, level of self-determination. The subjective factor has not developed a global dimension because self-management's radical democratic ideology occludes the universal level through the belief that self-determination is the self-preservation of particularity.

Though the project for self-management is both very popular and authentically Yugoslav, the estranged notion of

² Mijalko Todorović, Preobražaj Saveza Komunističke Jugoslavije (Beograd: Komunist, 1968), p.253.

³ Mijalko Todorović, Političko Biće Društvene Krize (Zagreb: Bibliotheca Scientia Yugoslavica, 1986), p.82.

the subjective factor has hindered its realization. The League's protective action to save the purity of the ideal of self-management generates an estrangement that prevents its realization as an integral, self-conscious system. Golubović sees the restriction of subjectivity, whereby people voluntarily repress their criticism, to be the principal limit of the Yugoslav system:

This is where the principal limits of the Yugoslav model have shown themselves to be, keeping alive the classical functions of ideology, in particular those belonging to a mono-organizational type of society. For, a presumed monolithic ideology excludes even socialist alternatives, let alone other options, while the very premise of self-government is a confrontation of alternatives, implying the democratic choice of a desired type of social organization, ...4

The status quo is equated with realized self-government. The ideology says that the existing system is fundamentally sound and needs only elaboration and improvement.

Kardelj wrote that a tradition of political pluralism should be preserved in the transition to an associational, socialist democracy.⁵ What he meant, however, was that if the demand for political pluralism emerges in Yugoslavia, where such a tradition was not well established, it is a regression from self-management. This argument is typical

4 Zagora Golubović, "Yugoslav society and the 'real socialism'," in Z. Golubović and S. Stojanović, The Crisis of the Yugoslav System (Munich: Projekt, 1986), p.39.

5 Edvard Kardelj, Democracy and Socialism (London: The Summerfield Press, 1978), pp. 49 & 65.

of the current weakness of the subjective factor. When Kardelj compares Yugoslavia to multi- and one-party systems, he writes as if self-management were already achieved. He will inconsistently admit, on other occasions, that self-management is not working and the political monopoly of the League is necessary to defend it.⁶

It is this confusion of the project with reality that has been the main stimulus to Yugoslav critical literature. Ideological protagonists of self-management tend to write as if self-management and the delegate system were a fact. They then self-critically append some deformations to the functioning of the system, which are attributed to the weakness of the subjective factor and the poor integration of associated labour.

In reality, Yugoslavia is not a non-party, direct self-governing associational democracy. It is a multinational system of singular party systems. The Yugoslav League of Communists is now federal to the point of being an International within Yugoslavia. Each republic is a one-party system. These parties belong to what may be called the Yugoslav International, with regular International congresses and an International executive.

Though the economic roots of the nationalism that divides Yugoslavia may lie in market fragmentation, the division results primarily from Yugoslavia's political

⁶ Ibid., p.79.

history. It is no accident, or natural economic phenomenon, that the boundary between Croatia and Serbia is roughly that which divided this people into the western and eastern halves of the Roman empire. Their nationalism is primarily political-cultural. The current system of nationality republics, as single-party systems, intensifies this political-national identification. These parties will certainly block labour integration for Yugoslavia as a whole and will certainly enhance the power of republican states, because it is in their interest as republican political parties to do so. The substance of a self-management system must be self-management interests. The substantive interest of these parties is to strengthen the republican state, and this is precisely what they have been doing.

Kardelj rejected single- and multi-party systems as mechanisms for the alienation of politics into state power. He rightly counterposed an organic system of associational democracy in which politics is not estranged into power relations. But when this ideal is presented as if it were reality, it becomes an ideology that masks the reality of one-party political monopolies.

Let us note the evaluative distinction between ideology and project. An ideology is a project that implicitly occludes relations of domination. Liberal democracy could be called the bourgeois project. It is ideological in that while portraying itself as a free society of equal opportu-

nity, it allows moneyed interests to exploit the direct producers and monopolize the universal life of the community, i.e. the mass media and intellectual life in general. A true project does not occlude dominant relations, but exposes them to extend self-determination to the whole of society. The main substantive question of self-management should be: are professionals the affirmed producers that can bear such a project, or will their particularity establish a technocracy?

The difference between the representation of relations and real life has developed into an ideological crisis. Socialism must be a self-conscious totality in which the difference between the project and reality is open. Self-management is ideological to the extent that it considers negative objectifications to be external to the project, or at least external to it when functioning properly. All objectifications should be considered as the result of the dominant totality. In this way, negative phenomena are not occluded as malfunctions, but instead become the objective basis of critique. The awareness of the schism between theory and the results of practice should help to show how reality may be transformed in accordance with the project, and the project in accordance with reality. This dialectical motion should be governed by the fundamental ethical precept of the project - the concrete universal liberation of mankind as a totality.

The democratic-centralist single party contravenes associational democracy predicated on the free expression of particular interests. Radical associational democracy spontaneously degenerated into political representational, patron-client and informal group relations. Since the political is excluded from self-management pluralism, as necessarily an expression of alienation, the notion of self-management acted as an ideology that masked the political monopoly of the League. There is no individual participation in global life through direct elections or through direct participation in associations concerned with global issues, that is, outside the League's organizations. How may the free articulation of global interests open up? A transitional step may be a limited multi-party system which cross-cuts nationality cleavages and represents differing perspectives on the realization of the self-management project. This would allow freely expressed, politically oriented particular interests to be objectively affirmed at the universal level of socio-political life. Particular interests must be expressed in global terms, and hence be capable of objective recognition, in order to be fully mediated into the concrete.

2. The Crisis of the Mediation of Project and Reality

In theory, dogovorni socijalizam, agreement socialism, the associational model of self-management which has been in effect since 1974, is the most efficient and advanced form

of socio-political organization. In fact, its most noted characteristic is extreme inefficiency.⁷ Today, living standards are below those of 1967 and inflation is above 100%. Unemployment, including hidden unemployment, afflicts close to two million people.⁸

During the 1970's Yugoslavia, like Poland, purchased foreign licences and modernized enterprise. The success of this venture depended on an open economy and growing participation on the world market, simply to pay off the accumulated debt. The economic system did not adapt to this technological change. The system remained closed and autarkic at the republican level. According to Županov, it was this crisis in the adaptation of the economic system to technological change which was the fundamental source of social and political crisis in both Poland and Yugoslavia.⁹

During this same period, it was believed that self-management was making fantastic progress. This success was demonstrated through statistical analysis which showed a great increase in the number of agreements, meetings, participants, as well as economic growth. Such analysis, however, could not indicate anything about self-management's

7 Dragoje Žarković, "Ekonomska efikasnost i samoupravljanje," in Vesna Jugović et al eds., Ekonomska Efikasnost i Samoupravljanje (Beograd: Kultura, 1986), p.34.

8 Ibid., p.35.

9 Josip Županov, Marginalije O Društvenoj Krizi (Zagreb: Globus, 1983), p.20-21.

development as a socio-cultural system. For this one must consider the action of subjective social forces.¹⁰ The statistical analysis was in serious error. The growth of meetings, agreements and institutions was not a reflection of the growth of self-management democracy. Rather, it was a measure of system response to breakdown through hyperinstitutionalization.¹¹ While believing that they were measuring self-management's realization, the staticians actually were measuring its ever-deepening crisis. This crisis has not yet been fully comprehended:

We know only that its basic social nature is in the growth of an intellectual proletariat, corresponding to the growth of unemployed youth, the educated generation, and the fall in the living standard of employed workers below that which is called the existential minimum.¹²

The general Yugoslav sociological thesis of the crisis is that there is an unbridgeable rift between formal institutions and social reality, or between the project and its realization.¹³ The main problem of Yugoslav socialism is that scientific investigation has concentrated on the development of the normative project, the long-term vision, but without considering how to mediate this with contempora-

10 Ibid., pp. 40-41.

11 Neca Jovanov, Dijagnoza Samoupravljanja (Zagreb: SNL, 1983), p.18.

12 Ibid., p.19.

13 Županov, Marginalije O Društvenoj Krizi, p.34.

ry social reality.¹⁴ In particular, the system of legitimate relations occludes the role of the political bureaucracy, which holds an exceptional position at the global level as the vanguard of social change.¹⁵

Jovanov goes further to posit a critique within the sociological critique. There is a hidden assumption in which the theory is assumed to be good and the practice bad. Sociologists also assume the ideal of a complete functional harmony between projected ideals and the norms of everyday life. But such a harmony implies a complete end to social change and even of thought itself.¹⁶ The problem is not in the difference of the project from reality. Difference is necessary to development. The question is the motion of this difference and how to measure and judge the direction of the motion of current relations.¹⁷ The most fundamental question is whether the system is strengthening intrinsic or extrinsic motivation.¹⁸ Studies show that when youths leave school, they hold primarily intrinsic inclinations. Life in work shifts this to an extrinsic motivation, i.e. pay, which remains predominant. In general, the value system seems to be moving toward utilitarian individualism,

14 Jovanov, Dijagnoza Samoupravljanja, p.12.

15 Županov, Marqinalije O Društvenoj Krizi, pp. 36-7.

16 Jovanov, Dijagnoza Samoupravljanja, p.33.

17 Ibid., pp. 259-60.

18 Županov, Marqinalije O Društvenoj Krizi, p.60.

with a concurrent strengthening of traditional values such as family loyalty.¹⁹

The fact that the ideal and the actual are estranged from one another is not in itself the problem. If they coincided today in Yugoslavia, the result would be a self-consciously class-divided society. The question should be: What mediation of the normative and the actual will bring the project closer to realization? Such mediation may begin with a change in the concept, with the recognition of the affirmed producer as the subject of socialism.

The question of the subjective factor is the new way of positing the old question of interests and class consciousness. In Marxism, interest is both self-conscious and determined by one's objective position. One's objective position stimulates the need for a self-conscious understanding of what is wrong with the given set of objective relations in which one is caught. It is difficult for the humanitarian wealthy person to understand that he is in an objective relation wherein he is the cause of the poverty that his charity hopes to alleviate. But the person in the objective position to see clearly may be so crippled by domination as to be unable to understand the global transformation implied in his liberation.

According to Jovanov, the self-conscious mediation of the project and actual relations depends most of all on the

¹⁹ Ibid., pp. 54-60.

adoption of Marx's original method - the critique of all existing conditions.²⁰ A political struggle must be conducted against those so-called Marxists, who dogmatically learn Marx's writings as if they revealed all truth, even though conditions have changed. The current weakness in comprehending social reality comes from the fact that ideas are articulated on the basis of relations of political power, not intellectual honesty.²¹ The current crisis can only be solved through an open dialogue on the current problems faced by Yugoslavia.²²

Marxism-Leninism placed the historic self-consciousness of the direct producers in the vanguard party. As Pašić notes, but without turning the critique onto his own party, the result is to legitimate the bureaucratic usurpation of proletarian revolution.²³ This is the root of statism within the Marxist notion of socialism. Only a few are aware of long-term, historic interests. This elite could become a dominant stratum, which in turn could become a ruling class. The way out of the problem is on the terrain of self-consciousness, that is, to raise the subjective capacities of the direct producers and to transform the social division of labour toward the growth of the intelli-

20 Jovanov, Dijagnoza Samoupravljanja, p.24.

21 Ibid., p.21.

22 Ibid., p.104.

23 Pašić, Interesi i Politički Proces, p.103.

gentsia and the intellectualization of mass culture. Only a population with highly developed subjective capacities can be the substantive basis of self-governing socialism.

3. Županov's Sociological Critique

The contradiction between reality and the project, or between practice and the model, may be expressed as that between implicit culture and explicit culture.²⁴ According to Županov, the implicit culture is that of a traditional society, and the explicit is that of an industrial society. Županov modified the notion of explicit culture to mean "project", i.e. the project for social transformation toward socialist self-government. Behaviour is understood, explained and justified in terms of the explicit culture, even if motivation and actual relations derive from a differing implicit culture. Županov's particular thesis is that the socialist industrialist notion of reward according to work confronts the "radical egalitarian syndrome" of the traditional value system.²⁵

But there is a deeper dimension to the problem that lies in the explicit value system. Radical egalitarianism does not conflict with the fundamental values of socialism. In fact, while reward according to work may be the principle of the transitional epoch, and reward according to need that

²⁴ Borislav Džuverović, "Kultura, Rad i Samoupravljanje," Pregled (Feb-Mar, 1986):163.

²⁵ Ibid., p.165.

of realized socialism, this subtlety has never played an important part in the workers' movement. Political demands have always stressed the class equality of all those who work. Social demands have always stressed the needs of particular groups, such as the unemployed, youth, single mothers. The central value of socialism is production for need, in which reward according to work has played a secondary, instrumental role. The radical egalitarianism of slavie peasant communities may, in part, be the reason why Marxist socialism established itself in these societies before it did so anywhere else.

Neither the implicit nor the explicit systems can accept the labour market, even though it must exist in an emerging industrial society. The main objective of associated production is the abolition of the labour market as the main source of exploitation, estrangement and alienation. The labour market is not recognized by the institutional system since the exploitation of labour is ostensibly transcended in these institutional arrangements.

Županov analyzed the systemic whole and its various sub-systems. At the holistic level:

The crisis is the result of tensions (potential difference) in the system between the normative-institutional order and the real relations of "natural" social tendencies which flow outside of institutional channels.²⁶

It is a legitimation crisis, in the sense that the system of

26 Županov, Marginalije O Društvenoj Krizi, p.11.

actual relations does not correspond to the system of legitimate relations. There is a disjunction between the formal socio-political system and the substance that these formal structures represent.

The most obvious sign of systemic crisis is general ambivalence and dissatisfaction amongst the population. In response, the political system oscillates between denial of dissatisfaction and concern that dissatisfaction is blocking the development of socialist self-management relations.²⁷ As the crisis has deepened, there has been an expansion of state and legal regulation and a growth of authoritarian, restrictive and manipulative behaviour on the part of the Republics and League.²⁸ This protective response has contributed to undermining self-management.

The system attempts to compensate for the disjunction between projected and actual relations through institutional adaptation, political-ideological elaboration and political campaigns.²⁹ A symptom of crisis is the continual oscillation from free-market neo-liberalism to statism, from pluralism to monism, and from popular frontism to class-against-class confrontation.³⁰ New institutions, for every aspect of social life, are constantly being introduced. The

27 Ibid., p.15.

28 Ibid., p.14.

29 Ibid.

30 Ibid., p.15.

system tries to solve at the political institutional level problems more deeply rooted. But if there are such radical oscillations, there must be some other system always working below the explicit system.

In the system of explicit relations there is: 1) associated production in the sphere of socially owned means of production; 2) supremacy of self-management agreements over market or state coordination; 3) an absence of vertical social differentiation, i.e., a reduction of social structure into horizontal interest groups of self-management pluralism; 4) solidarity of nations and nationality groups.³¹ In actuality: 1) BOAL's behave like enterprises hierarchically organized in pursuit of profit; 2) there is no real economic coordination, only a distorted market mechanism with ad hoc state intervention; 3) despite radical egalitarian values, Yugoslavia is a deeply divided class society; and 4) national antagonism has not disappeared.³²

In the real system, there are three regulatory mechanisms - self-management, the state and the market. All interfere with each other and none can work effectively.³³ In spite of the institutional affirmation of associated labour, both state and private capitalist tendencies in the economy have been strengthened. State tendencies emerge in

31 Ibid., pp.34-5.

32 Ibid., pp. 35-6.

33 Ibid., p.23.

the form of control over expanded reproduction and the growth of ad hoc intervention; and private tendencies involve the growth of personal savings looking for an investment outlet.³⁴ The systemic whole is in fact dominated by the political bureaucracy, which occupies the controlling centre of the otherwise fragmented self-management system.³⁵

Županov analyzed five sub-systems: the technological, economic, social, political-institutional and normative-value. Following W.F. Ogburn, he defined the technological subsystem as the material culture of society.³⁶ The failure of this subsystem has been critical in the failure of the economic and social subsystems and of the systemic whole. Yugoslavia is a technologically dependent developing country, whose technological development has been inhibited by an economic subsystem of small, autarkic, competing state capitals and by a normative-value system that gives recognition of work very little importance. Licences are not purchased at home. Nor are they systematically purchased abroad in a way that could help the domestic development of technology. Often they are not used after purchase. The backwardness and slowness of response of the technological subsystem is the main source of Yugoslavia's poor position on the world market and of the lack of dynamism in the

34 Ibid., p.165.

35 Ibid., p.37.

36 Ibid., p.41.

economic system. This has been translated into a general systemic crisis, encompassed in the political-institutional sphere by the long-term programme for stabilization, which seems to be in its infancy 15 years after its initiation.

In the economic subsystem deteriorating terms of trade and stagflation have drastically reduced the standard of living. Unemployment has grown to such proportions that employment or lack of employment has become one of the main sources of social differentiation. Lack of material incentive has reduced the motivation to work.³⁷ Reduced material conditions of life have effected a reassertion of traditional values and ways of life in the normative-value system. A highly advanced value system cannot develop in conditions where it is difficult to get detergent to wash one's clothes, blades to shave and meat to eat.³⁸

In the normative-value system, the radically egalitarian syndrome of pre-revolutionary peasant Yugoslavia entered proletarian Yugoslavia unaltered.³⁹ Radical egalitarianism is contrary to the inegalitarian norms that stimulate industrialization. Self-management relations have generated values contrary to this peasant/proletarian syndrome. Pragmatic individualism and the pursuit of material wealth have become the predominant values of

37 Ibid., p.44.

38 Ibid., p.45.

39 Ibid., p.21.

Yugoslav society.⁴⁰ Such values are strongest amongst those with a positive and participative orientation toward the current system.

In the social subsystem, youth unemployment and the development of an intellectual proletariat are major factors in the current social disintegration.⁴¹ Structural unemployment frustrates parental expectations that their children will succeed.⁴² Studies have shown that the chance of a manual worker having a career is very small, but so is the corresponding aspiration. People are satisfied with their position, but they would like to see their children advance.⁴³ Many young people of manual worker and peasant origin obtain professional qualification but cannot find employment. Županov believes that the social consequences of this great chasm between the aspirations for and the limited possibilities of socio-professional advancement have only begun to show and, in the near future, will shake the social system to its foundations.⁴⁴

The educational system is no longer the main means to vertical mobility. People must now rely on political and traditional, i.e. familial, mechanisms of social solidar-

40 Ibid., pp. 13 & 60.

41 Ibid., p.28.

42 Ibid., p.52.

43 Ibid., p.49.

44 Ibid., p.52.

ity. The family is the dominant institution for determining one's social position.⁴⁵ Young people are bound to their parents. Parents get their children a place in school. Parents get them into a good faculty and pay for everything. And, in the most critical step of all, parents use their personal and political connections to get them a good job. People in important positions pass on their favoured status to family members. One's class position is passed on through the family. This class domination is complicated by an urban/rural split, in which those in rural areas have poorer educational opportunities and find it difficult to obtain higher education because of the costs involved in living away from home.

Vertical social mobility has been reduced. Inter-generational mobility is very low, with the children of manual workers tending to become manual workers.⁴⁶ Unemployment has increased tension within the social structure. Within an enterprise, management and technical personnel are favoured over regular workers in any layoff. In this labour market situation, the managerial and technical staff, the technostructure, act as the employer of production workers who are paid a wage.⁴⁷

The political-institutional subsystem encompasses

45 Ibid., p.54.

46 Ibid., pp. 48-50.

47 Ibid., p.47.

relations at the global level and, as such, is the particular subsystemic locus of the legitimation crisis. The legitimate mechanisms of social regulation do not function, and those actually in place cannot function properly because they are illegitimate.⁴⁸ The state cannot play a comprehensive directive role, but its constant ad hoc intervention makes enterprise dependent on the state. The more the state intervenes in the economy, the more the economy becomes dependent on state intervention. The more work organizations expect intervention, the more the state must intervene.⁴⁹ Kardelj would have added that, in this motion, the state and the technocratically managed economy merge to establish the technobureaucracy as the dominant class.

4. A Concrete Critique of Jovanov's Critique of the Sociological Critique

The Yugoslav system is most resilient at developing and articulating its normative project, but this is only to compensate for its great deficiency in the critical evaluation of practice, or as Marx would say, in the critique of all existing conditions.⁵⁰ An abyss has developed between the Yugoslav project as a whole and the realities of everyday life. Normative conditions systematically are

⁴⁸ Ibid., p.23.

⁴⁹ Ibid., p.24.

⁵⁰ Jovanov, Dijagnoza Samoupravljanja, p.12.

projected as actual. The main practical consequence of this fissure is that while political organizations have been concerned with maintaining the formal side of decision-making - that is, the formal rules of the game - informal power groups have become the decisive political factor.⁵¹

According to Jovanov, the main sociological critique of Yugoslav society - the contention that there is a discrepancy between the normative and the actual - contains assumptions about the normative and its relationship to practice that are false. The notion of the congruence of theory and practice, in an absolute sense, is absurd. It postulates the end of thinking beyond given conditions and therefore the end of human consciousness.⁵² A society in which normative structures agreed with everyday practice would be motionless. A discrepancy must exist in a social formation in motion toward a projected goal.

The system has responded to malfunction at the political and ideological level with hyperinstitutionalization, or the repeated creation of new and more democratic institutions.⁵³ This response, in turn, has become one of the main limiting factors on the development of self-management.⁵⁴ The error has been to interpret the growth of self-manage-

51 Ibid., p.44.

52 Ibid., p.39.

53 Ibid., p.43.

54 Ibid., p.83.

ment as growth in the number and length of meetings, whereas this is one of the reasons why it does not work.⁵⁵

Jovanov's critique is, in part, based on a radical reassertion of the need for direct democracy. Estrangement is seen to be inherent in any mediation process. The growth of intermediary associations between the individual and higher levels has blocked individual influence.⁵⁶ As the number of participants goes up, effective participation in power declines.⁵⁷ Legal-formal participation has increased in direct proportion as the real ability to influence the decision-making process has declined. What is taken as a direct measure of the growth of democratic participation is, in fact, a reflection of breakdown.

Those in permanent administrative positions have significant power within the delegate system. They outline the questions presented to a delegation, the various alternatives open and the consequences of each. In their professional capacity as administrators, they will determine, to a large extent, which alternative will be chosen. This mode of manipulation is the main means by which small informal groups control democratic decision-making in Yugoslavia's system of social self-government. The vast majority of participants are reduced to a yea or nay, and

55 Ibid., p.163.

56 Ibid.

57 Ibid., p.262.

the vote is largely predetermined by the context.⁵⁸

The organs of associated labour and self-governing society are so estranged from the workers that they can assert their most direct influence simply by going on strike.⁵⁹ In any particular conflict, those who strike usually receive an income on the basis of the results of their work. Those opposed to the strike usually receive a fixed (managerial) salary on the basis of the function that they perform.⁶⁰ Workers on strike form a class against those who are the object of their strike.⁶¹

Jovanov rejects the thesis that for the workers to be a class, there must necessarily be another class (in the purely Marxist sense) against which they struggle.⁶² Class differentiation occurs on the basis of the differential possession of social power, access to participation in the distribution of monetary and material goods, and status and influence in the formal-legal centres of social power.⁶³ The workers strike not against another economic class, but against the political alienation of an institutional system

58 Ibid., pp. 160-1.

59 Ibid., p.178.

60 Ibid., p.183.

61 Ibid., p.184.

62 Ibid., p.216.

63 Ibid.

which does not authentically represent their interests.⁶⁴ This alienation is not only from the state, but also from the newly created organs of associated labour which, in their intermediary role, act as a political arm of the state that asserts its domination over the workers' interests.⁶⁵

A conflict between workers and management organs, in Yugoslavia, translates itself into a conflict against the institutional structures of self-management.⁶⁶ Strikes are particular instances of alienation from the self-management system in its totality.⁶⁷ As such, they are the best measure of how alienated the workers have become from the institutions that were created for them:

The most direct motive for most strikes is the weak material position of the workers which is really only a consequence of their disadvantageous position in the total formal structure of power.⁶⁸

They occur primarily as a consequence of the growing incongruity between the projected and actual status of the workers. Strikes are not the measure of the difference between the norms and the reality of associated production, but of the increasing difference. Their occurrence indicates that the workers are being further estranged from the

64 Ibid., p.217.

65 Ibid.

66 Ibid., p.190.

67 Ibid., p.232.

68 Ibid., p.178.

institutions of socialist self-management.⁶⁹

Strikes in Yugoslavia are very short and often last no more than a few hours. Although they are very effective in dealing with immediate demands, they are completely ineffectual for solving deeply rooted problems. They do not attempt, nor can they, to solve the problem that is the main underlying source of class conflict, namely, the alienation of the workers from the centres of political and economic power.⁷⁰ In the current crisis, industrial action is most often passive opposition in the form of slowdowns, absenteeism, lack of participation, etc. At some point in time this passive resistance may take the form of an active political struggle.⁷¹

Jovanov sees the current crisis as a consequence of the ineffectual articulation of the interests of the working class as a whole, especially in the internal life of the League of Communists and the trade unions.⁷² One of the greatest weaknesses of the Yugoslav system is the lack of freedom for creative thought that could put forward criticism and engage in honest and open dialogue on social questions.⁷³ The first step in this direction would be a

69 Ibid., p.182.

70 Ibid., p.220.

71 Ibid., pp. 19-20.

72 Ibid., p.148.

73 Ibid., p.21.

reform to open up the political system to the democratic articulation of positions by those who support the self-management road to socialism.⁷⁴ As Jovanov comments:

the impossibility of articulation in an authentic form of the whole creative potential is the key problem of the democratization of Yugoslav society.⁷⁵

The main problems of Yugoslav society must be viewed at the level of totality.⁷⁶ Solution depends on the assertion of universal over partial interests; and this depends in turn on the development of knowledge, by workers, of their interest as a totality.⁷⁷ Only those interests which are articulated and harmonized at various levels, to be articulated and harmonized again at higher levels, become collective or universal interests.⁷⁸ While rejecting mediation in general as an abstraction, Jovanov here states the essential process of mediation for determining the universal interest. Only those partial interests which formulate themselves as global enter fully into the mediation process. This contradiction in his thought reflects that of the Yugoslav system which sought to establish a system of mediation into concrete universality but, following

74 Ibid., p.348.

75 Ibid., p.347.

76 Ibid., p.146.

77 Ibid., p.148.

78 Ibid., p.164.

direct democratic principles, saw self-determination ultimately in terms of immediate self-interest.

A self-conscious discourse on the universal must interpenetrate all levels of social community, from the smallest partial community to the global level, in order fully to mediate partial interests into an authentic universal interest. Insofar as social reality is not holistically comprehended by subjectivity, Yugoslavia deviates from the road to self-management, for self-management depends above all on self-knowledge.⁷⁹ The discourse is Marxism, the critique of all existing conditions. Communism is not any given final condition but the negation of today's conditions. It is "the real movement that negates present conditions".⁸⁰ According to Jovanov, the ethical orientation comes from the workers' movement. This is the real movement in the mediation of the normative - the theoretical, political, legal - and the actual.⁸¹

Legal-political and actual relations may mutually transform one another through a dialectical process of mediation that brings them together through a higher other, the project. If the gap between the two becomes too wide, or if the mediation process is inhibited through the restriction of political expression, then legal-political

79 Ibid., p.19.

80 Ibid., p.57.

81 Ibid.

norms lose their reality. They become an ideal world, and the political-cultural development of the social formation loses direction and may even grind to a halt. The reason for the rift between legal-political and actual relations in actually existing socialism is the weakness of the system of interest mediation. A dialectical notion of political system, as first expounded in Hegel's Philosophy of Right, founded on universal humanist ethicality, would set these societies in motion again. The problem in Yugoslavia is not the existence of tension between the real and projected, but rather the absence of a concrete political system that can effect their mediation.

A dialectical notion of political system could help to transform socialist single-party systems into concrete political communities. Jovanov approaches this problem by dividing the ethical system into three parts - theoretical, political and legal.⁸² The theoretical is the highest level of abstraction, that most distant from practice, but at the same time, that which defines long-term direction and represents the highest level of the critique of practice. The political is a closer mediation of theory and practice. The legal is closest to practice. This is how everyday relations govern themselves. It is this part of the ethical system that must be the most accurate reflection of everyday practices to give them direction and, at the same time, to

82 Ibid., p.40.

concretize and transform theory.⁸³ Legal relations are the point of mediation in the dialectic of theory and practice, and it is their development that is most critical for the establishment of a dialectical political system in Yugoslavia. The problem of the mediation of the universal, particular and individual, encountered at the beginning of the Yugoslav school of Marxism in Vranicki's first publication, is answered concretely here by his student, Jovanov, in this book edited by Vranicki. But Jovanov emphatically believes that any intermediary institution necessarily alienates social power to itself.⁸⁴

Socialist self-government, interpreted merely as horizontal and decentralized relations, masks the political monopoly of the League, much as liberal democracy masks the domination of monopoly capital. True self-government, central, universal and responsible to a critical common sense, cannot be introduced because this would expose this political estrangement. Jovanov's critique contributes to political estrangement by giving merely a more radical elaboration of this decentralist occlusion of the League's political monopoly. But while wrongly believing mediation to be the source of abstraction, he saw the essence of mediation into truly representative universality. The integration of self-government up to the global level is

83 Ibid.

84 Ibid., p.26.

primarily a question of consciousness, of the development in the producers of a consciousness of totality that allows the formulation of partial interests as aspects of an objective, universal, system of ethicality.

Mediation into concrete universality proceeds through an internal link in substance between the universal and lower interests. This direct link in substance is, in Hegelian language, universal self-consciousness. But this must also have a substantive basis in affirmative labour relations for the production of social life. The self-conscious capacity of such an affirmed producer would exist in the global life of free mass media, global interest associations, political movements and direct representation in global bodies. Without a self-management pluralist system of delegate representation out of immediate communities, this global life would be abstract. But this organic representation is similarly abstract, the abstraction of the universal into the particular, without free global interest associations. It is through such associations that particular communities may formulate their interests as global, and so may become universally self-conscious in their particularity. Agreement socialism erred by conceiving man as a universal self-manager in an immediate community. It failed to give universal self-consciousness a substantive life in free global associations.

5. Todorović's Internal Criticism of the League

According to Todorović, the dominance of the political sphere makes politics the main source of social and economic problems.⁸⁵ The principal political source of crisis is nationalism. The main consequence of the 1974 constitutional reforms was to establish a polycentric form of statism.⁸⁶ Like Jovanov, Todorović believes that Yugoslavia will find its way out of the current crisis through a creative, critical and open dialogue on its problems and their possible solution. Unlike Jovanov, he sees this as an expressly political process.

The constitutional reforms of the 1970's were introduced as a formal-legal process, not as the creative self-activity of the producers.⁸⁷ The reform deceived the workers into believing that there had been a motion toward social self-government; but lacking this substantive self-conscious basis, the result was "instability, improvization, ineffectuality and crisis".⁸⁸ The delegate system, in substance, is one of cooptation which extends the capacity for dirigisme on the part of political managerial strata.⁸⁹

⁸⁵ Mijalko Todorović, Političko Biće Društvene Krize (Zagreb: Bibliotheca Scientia Yugoslavica, 1986), p.57.

⁸⁶ Ibid., p.135.

⁸⁷ Ibid., p.71.

⁸⁸ Ibid., 72.

⁸⁹ Ibid., p.89.

The skupstina, rather than being a self-management organ to mediate work and power into a self-governing totality, is the assembly of a multinational state. Bureaucratism transformed what was supposed to be a federal community into a federation of states.⁹⁰ Though originally meant to be an integral system for the expression of substantive relations in work, communal life, education etc., the delegate system developed into a formal legislative process under the direction of party committees and state executive organs.⁹¹

The main source of problems must be sought in the League because it is the dominant factor in the political system.⁹² The Third-International, hierarchical, command organization of a cadre party is in contradiction with self-management. Todorović challenges the predominant idea that Yugoslavia does not have a one-party system in which the party and state have fused into a political bureaucracy. He goes so far as to describe self-management associations as 'transmissions belts' for the Party's domination over the workers and society, and the League as the main bearer of bureaucratic statism.⁹³

Political institutions, monopolized by a single party,

90 Ibid., p.140.

91 Ibid., p.93.

92 Ibid., p. 156.

93 Ibid., p.193.

become the transmission belt of a Party-state political bureaucracy.⁹⁴ The formal system is so constructed as to be ineffectual without the informal parallel power of Party committees.⁹⁵ This problem explains the ineffectuality of the delegate system and the necessity of turning to informal groups to get something done. Ultimate power lies outside the system of formal relations in a system of informal relations within the Party. It is impossible, therefore, to establish a true legal system and legal state, because the real informal basis of power is not legally responsible.⁹⁶

Turning Lenin's critique of bourgeois nationalism against the bureaucracy, Todorović charges that the political bureaucracy dominates the workers mainly through the ideology of nationalism.⁹⁷ The main enemy is at home. The workers should join together to fight their own bureaucracy, their real class enemy. Associated labour should have its own collective central organs.⁹⁸ The working class must be unified through an autonomous federation of unions that jointly struggles, as an independent class movement, to wrest social capital from the political bureaucracy.⁹⁹

94 Ibid., p.81.

95 Ibid., p.82.

96 Ibid., p.81.

97 Ibid., p.147.

98 Ibid., p.143.

99 Ibid., pp.100-1.

The main subjective basis of statism and nationality conflict is the state-property orientation, which views man as a producer and consumer in the crudest materialist sense:

the development of material-productive forces can have an emancipatory character only if it is connected with the transformation of social and human relations in the direction of their complete humanization. ...

Rational political economic development ought to have in view the whole of social needs, of economic, cultural, social relations and human personality.¹⁰⁰

The one-sided economic orientation of the political bureaucracy dehumanizes social relations.

The solution to the social crisis lies in the transformation of political being, particularly the political being of the League.¹⁰¹ The ability of the League to transcend the current crisis depends on its critical understanding of society, and this in turn depends on its capacity for self-criticism. The League has not spontaneously developed this internal capacity. This is why

Some circles around journals, scientific institutes and other platforms become all the more important as mediators...¹⁰²

Todorović comes very close to the thesis that the universalization of democratic political life depends essentially on the universalization of intellectual culture. The substan-

100 Ibid., p.149.

101 Ibid., p.195.

102 Ibid., p.216.

tive condition for true self-government is the presence of a well-published and well-read critical intelligentsia who, through their circles of association, develop a universal critical self-consciousness in people of all walks of life. Remembering the thesis that particular interests must be articulated as global in order to be fully mediated into a true totality, these free centres for the publication of globally critical ideas should bear an organic relationship to particular associations. This universally self-conscious and organic media system would generate the concrete discourse of a universality which both truly represents substantive social relations and also turns universal ethicality in upon their particularity to make them globally self-conscious and responsible.

6. The New Producer as Subjective Factor

In a socialist society, that part of the working class which remains in manual labour has generally lacked the subjective capacity for social change.¹⁰³ In such conditions, the notion that the manual producers are the subject of socialism and must struggle against those who have succeeded and have undertaken leading roles, is mendacious and objectivist dogma. According to such dogma, once the proletariat begins its self-liberation, it also loses its capacity for universal liberation because it is no longer, "objectively", the proletariat. But if the proletarian in

¹⁰³ Jovanov, Dijagnoza Samoupravljanja, p.56.

fact remains a proletarian, wherein lies the liberation?

In an authentically self-conscious universal, social relations have an implicitly ethical content which is objectively recognized at the global level. Capitalism, because it is based on competition and exploitation, generates an ethical totality estranged from real conditions. For socialism to be a true totality, humanist ethics must be the fundamental motivation of need generation. The socialist producer must be affirmed in his work; and this activity must be internally related, through its own self-understanding and objectifications, to a concrete project for universal human emancipation. The concreteness of such a totality depends on an associational system with an internal motion that mediates individuals, through political participation, to universality. Whereas the association of the proletarian is externally imposed by capital, that of professionals is determined, in part, as a necessary condition for personal self-development. A concrete ethical universal may develop on the basis of an experience of historical epochē which defines a project which determines universal human emancipation as the purpose behind the labour, and the struggle for knowledge, of the new producer. This project would be actualized as these universal producers self-critically turn universal humanist ethicality in upon their own activities and outwards upon the current objective expression of this project.

Self-Management and the Affirmed Producer

1. Professionals and the Mediation of Freedom and Necessity

Factory workers may be able to organize their labour in opposition to capital, but they are not capable of self-management. Their work, which is fragmented and externally determined by capital, lacks an intrinsic self-management dimension.¹ The new producer, however, like the artisan, exercises conscious direction over the immediate process of production. But unlike the individualistic artisan, this producer is necessarily associated in his production. His productive activity has universal dimensions both in the directly social character of modern production and in his individual work as intellectual labour. Association for the new producer, to a great extent, is internally imposed as a condition for personal self-development - not externally imposed as a condition for the reproduction of capital. This producer holds the universal in his associational activity as a self-affirmative internal dimension. His work is immediately universal to the extent that it is creative and scientific. This work has a necessary existence in a particular discourse community. Thus the association of the new producer, as Hegel wrote about his Corporation, is concrete, but restricted. If externalized as a moment of a

¹ Serge Mallet, Essays on the New Working Class (St.Louis:Telos Press,1975), pp.17-106.

concrete ethical universal, the activity of intellectual producers may be determined as universal humanist objectifications.

Self-management is a basic condition for efficiency in the post-industrial era because it is the organizational form that corresponds most adequately to the efficient use of professional capacities. In post-industrial production there are grounds to expect a shift from authority relations to cooperative relations based on the recognition of knowledge. Those who know will decide, not those in 'command'.² According to Horvat, if a work organization ceases to be dependent on hierarchical and authoritarian relations, then it must become self-managed:

If there are no bosses, then work organization must depend upon self-management. And self-management is implicitly the egalitarian distribution of power. The egalitarian distribution of power in the work place is not necessarily ... the egalitarian distribution of political and social power. But it is one of its preconditions.³

In post-industrial society, organization may be professional; social control may be internal; and relations between the individual and society may be based on

² Branko Horvat, "Samoupravljanje kao osnovi društveni preduslov ekonomske efikasnosti," in Vesna Jugović et al eds. Ekonomska Efikasnost i Samoupravljanje (Beograd: Kultura, 1986), p. 122.

³ Ibid.

trust.⁴ But technology is a tool, as Marx and Hegel both understood, and tools can be used for different purposes with divergent consequences. Thus Branko Horvat writes:

The growth of the capacity of the system for the hierarchical control of people increases apathy and conformism, and reduces the need for personal development and independence.⁵

The application of the traditional norms of industrial society to advanced technology would indeed fragment and deprofessionalize labour. Professional work would be estranged into narrow instrumental tasks, capable of being monitored by a centralized management system.

But this second tendency goes against the grain of the advancement of the productive forces of post-industrial society. Empirical studies show that hierarchical control may only be conducted through abstract external measures, such as financial control, time control, or the control of physical output.⁶ But the productivity development of professional work, which involves the internal development of the capacities of the producer, depends primarily upon internal motivation. This requires the collegial control of co-workers who can give specific and qualitative recognition. Such internal, subjective control has the consequence of raising the efficacy of the producers, whereas externally

⁴ Veljko Rus and Vladimir Arzenšek, Rad Kao Sudbina i Kao Sloboda (Zagreb: SNL, 1984), p.164.

⁵ Ibid., p.165.

⁶ Ibid., p.237.

imposed control cannot have this intrinsic quality.⁷

The possibility of producers' self-control, as Hegel understood, creates the opportunity to complement control "from above" with control "from below". The Soviets failed to see that a universal "democratic" system is abstract without this internally self-affirmative activity of the free producers. But the Yugoslavs also failed to see the abstraction of self-managed production, when it is estranged from the self-motivated discipline that comes from self-conscious membership in a concrete universal community.

Professional workers have had their careers subordinated to the technological and bureaucratic imperatives of industrial society. But as the optimal use of machinery becomes subordinated to the optimal use of knowledge, the organizational imperatives of production may begin to coincide with the career desires of professionals. Bureaucratic organization may become less important as creative intellectual labour assumes greater economic value. A new system of work organization may develop, based on the authority of knowledge, rather than on administrative formal rationality.⁸ But the limitations inherent in professional specialization may only produce a new ideological system, with the technocracy consolidating its dominance through the ideological supremacy of narrowly technical discourses.

7 Ibid.

8 Ibid., pp. 236-37.

A profession is a particular combination of universal norms with specific functions.⁹ A true professional, in the definition of Rus and Arzenšek, differs from an artisan in that his activity is constantly serious and innovative. It does not involve mastering a basically unchanging skill.¹⁰ In its truest form, professionalism is the

condition for the true emancipation of labour
and for the social integration of emancipated
labour.¹¹

Professionalism is the transcendence of alienation through the concrete mediation of labour and free time. This is an ideal-type condition, which professionals approach as the distinction between personal self-development and socially organized work activities begins to disappear. This amalgamation of productive activity with free activity is present today in the growth of mass educational institutions, in the integration of production and research, and in the lengthening time spent on education and re-education.¹²

As Marx foresaw in The German Ideology, private property is negated in the conditions of the universal development of individuals.¹³ This new conception, however, is different from Marx's. In Capital the realm of freedom and the

9 Ibid., p.212.

10 Ibid., p.213.

11 Ibid., p.226.

12 Ibid., p.13.

13 Ibid., p.324.

realm of necessity are mutually exclusive, necessary labour always being the precondition for freedom, as disposable time. Marx did not posit their mediation into some higher cultural integration of everyday life. In the Grundrisse, Marx writes of socialism as an automated society wherein workers superintend material production. He approaches the notion of free necessary labour here in his notion of free time for experimental and creative work.¹⁴ The development of the scientific-technical revolution not only shortens time at work, it transforms work itself. The changed conditions demand a new man, highly educated and cultured, who spends the better part of his work on self-development. This is the powerful subjective force behind social development.

Marx saw the real realm of freedom as disposable time for each individual, beyond material production. Engels held more strictly to the notion of freedom as ontologically immanent in the development of the productive forces themselves. In The German Ideology, Marx accepted the same immanent relation when he equated the appropriation of the productive forces, as a totality, with the total self-appropriation of the capacities of the individual.¹⁵ Later, in Theories of Surplus Value and Capital, Marx

14 Ibid., p.330.

15 Ibid., p.348.

clearly differentiates the two types of freedom.¹⁶ Freedom in production is the activity of planning by the associated producers, whereas freedom per se is creative and artistic activity.¹⁷

Engel's materialist explanation of social transformation tends to be positivist in that there is an absolutization of the productive forces which tends to occlude the subject as an independent actor in history. From this emphasis on the objective motion of history, there developed a technologically determinist variant of Marxism. This has become the ideology of a technocratic stratum which sees socialism merely as building the material basis.¹⁸ Against this positivist tendency is a humanist one which emphasizes free, conscious activity as the species-character of man.¹⁹ Socialism is the inversion of this subjectivity into a concrete ethical totality that self-consciously directs the past achievements of labour.

These differing tendencies within Marxism result from Marx's own inconsistency in determining the relationship between the division of labour, alienation and class relations.²⁰ Marx's focus on alienated detail labour in the

16 Ibid., pp. 348-49.

17 Ibid., pp. 349-51.

18 Ibid., p.76.

19 Ibid., p.346.

20 Ibid., p.34.

factory system, to the neglect of creative mental labour, which was as yet relatively insignificant, contributed to a positivist conception of labour and planning.²¹ Marx did not fully anticipate the general growth and differentiation of knowledge and the corresponding growth of professions, which proceeded alongside the degeneration of artisans into wage-slaves, and which subsequently derived new momentum from the capitalist need for technological progress.²²

The contradiction between the realm of necessity and the realm of freedom, two realms which are held separate by Marx, can only be mediated through the integration of labour and free time. The mediation of this contradiction may be seen in professions where work and free-time activity are closely connected.

Professional work is not anymore separated from working time than from free time: working time is extended into the whole of life, the activity of free time is then all the more intertwined with working time.²³

The least alienating work and work-life situations are those in which one's work entails professional advancement.²⁴

Professional ethics have two dimensions, that of the profession itself, as an internally cohesive group, and that

21 Ibid., p.208.

22 Ibid., p.207.

23 Ibid., p.71.

24 Ibid., p.22.

of this group's relationship to the people it serves.²⁵ This is a collective reflection of the main contradiction that professionals face, between the freedom of internal, self-satisfying work and the necessity of participating in a social division of labour to satisfy the needs of others. The naked pursuit of professional autonomy is a class-dominating tendency of professionals by which they use guild-like solidarity to exploit society as a whole. This behaviour is exemplified by doctors in America. On the other hand, professional autonomy fosters an ethics of efficacious self-control and self-discipline which is the "heart", or fundamental subjective material, of self-government.

The main conflict that professionals face is that between the ethics of their profession and the goals of the organizations in which they work.²⁶ An open organization, which allows independent and responsible work, minimizes the contradiction between one's professional career and one's organizational role.²⁷ If also open to public scrutiny, it allows the establishment of the direct responsibility of experts to their clientele.²⁸

Yugoslav associational democracy, which brings the providers and users of services together through self-

25 Ibid., p.220.

26 Ibid., p.234.

27 Ibid., p.242.

28 Ibid., p.243.

management interest communities, may demonstrate a way in which to prevent the tendency for a particular skill group from exploiting their clientele. There is a problem in that popular democratic control may lead to deprofessionalization, such as occurred in Jacksonian America and Maoist China.²⁹ Deprofessionalization means the reduction of autonomy over the control of the production and reproduction of specialized knowledge.³⁰ Lessening the professional capacities of workers has the effect of lowering their efficacy as self-managers. The popular democratic demand to level professional work, in the context of a predominantly industrial society, would extend the fragmented industrial division of labour into work which has the capacity to maintain some holistic and self-affirmative dimensions. Following the strategy outlined by Serge Mallet, the object should rather be the reskilling, or professionalization, of workers to revitalize the working class's organizational capacity for political emancipation.³¹ Deprofessionalization would remove the substantive ethical basis for socialist self-management which lies in the professional ethics of collegial control and collective self-development.³²

The professionalization of work is not merely the means

29 Ibid., p.262.

30 Ibid.

31 Ibid., p.253.

32 Ibid., p.263.

to advance productivity and material production as part of the immanent motion of the scientific-technical revolution. At the same time, it is also the condition for the preservation and development of a socialist self-management ethos. Professional activities are simultaneously a relic of the past and the prototype for the organization of work in post-industrial and post-capitalist societies. They may become the internal, subjective side of self-management. Autonomous control over work is the internal motivation out of which may develop a self-conscious system of social management. Systems that depend on monetary motivation or hierarchical administrative control necessarily produce estranged and external systems of social control at the level of totality. Only a system founded on the subjective, internal motivation of its participants in their social life, particularly their work, can develop a self-conscious universal. The vitality of a new self-management society will be shown to the extent that it can develop this internal, subjective motivation and mediate it into a concrete ethical system of socio-political life.

The syndicalization of professional associations would have the consequence of producing guild-like monopolies. Compartmentalized groups of specialists would view their work from the same instrumental perspective as traditional trade unionists, who organize in pursuit of higher wages. According to Rus and Arzenšek, the ultimate solution

is a global re-organization of human labour on a self-management basis, through a system of agreements to harmonize relations between professional work associations.³³ They make the mistake, however, of positing merely a professionalized version of agreement socialism. Their's is still a contractual order, without the dialectical mediation that could transform self-interested behaviour into ethically determined behaviour. While having a truer insight into the subjective substance of truly human activity, they leave it fragmented and determined by contractual particularity.

An improved system of mediation alone, however, will not bring educated producers to true universality. The substantive universality of professional activity is limited and determined by the totality of social relations. The incremental internal development of intellectual working communities can be the articulation of freedom, or of domination, depending upon historical and political conditions and experiences. The development of the substantive universality, or heart, of the new producer depends most of all on self-conscious political participation that actualizes universal humanist ethicality in the moral character of individuals.

2. The Concrete Universal Producer

The universal liberation of mankind is implicit in the universalization of individual abstract labour. This

33 Ibid., p.265.

absolutely negative objectification of human capacity is the objective basis for a universal critique of human exploitation. From this perspective, freedom from abstraction means the inversion of abstract universal labour into concrete universal labour. But the subject of such an inversion, in today's conditions, would be privileged. This class of new producers would be dominant in production and may try to impose an ideological system to justify this dominance over the less fortunate proletarians, peasants and unemployed.

Those who most strongly advocate 'liberalization' in Eastern Europe and Yugoslavia come from this privileged and dominant class. Though a free and open society is a good in itself, the reality of a project must be judged with respect to its class bearer. Freedom has become the main slogan for class domination. The demand for free trade unions was the opening political salvo of the cold war. This was motivated not in the historic interest of the workers, but in the interest of reconquering Eastern Europe for capitalism. In liberal ideology, freedom is that of an entrepreneurial, capitalist class to exploit the direct producers. This false freedom, which imprisons the vast majority, greatly restricts all the other freedoms of which liberalism is so proud. Free participation in the media and political systems carries a price tag that only a very few can afford.

The intelligentsia would rise to the top as an entrepreneurial class in a liberalized Yugoslavia. Observers

should be more critical of the naive liberalism of dissidents, for naiveté is essential to ideology. It occludes, both generally and for the dominant class, class domination. Liberally conceived self-management, clothed in critical Marxism or in expressly liberal terms, and borne primarily by professional producers, is a new ideology of class domination. A free society, in the substantive conditions of the reproduction of inequality, is an abstraction. The point, however, is not to reject freedom as liberal ideology, but to establish it in substantively affirmative relations.

A concretely universal ethical principle is actualized as it motivates the social action of individuals and of particular communities. It exists concretely in their self-conscious action. The development of freedom to a truer universal ethicality must be implicit in this self-conscious action. This is the immanent subjective side to the development of objectifications that affirm our humanity.

Social objectifications are increasingly the result of universal labour. This labour is the active ground of a self-determining universal. Hegel and Marx did not work out the ethical content and social existence of such labour. Hegel wrote that self-affirmative labour must occur in an associational environment that is a particular moment in the realization of the ethical idea. In other words, Hegel taught that to control nature we must control our-

selves. Marx responded that we can at best philosophize about self-control until such time as we overcome capitalist alienation. The Yugoslav experiment has been an attempt to integrate these insights. Its successes as well as its failures are instructive if, as this thesis contends, self-determination is the immanent principle of modern societies.

Labour is truly self-affirmative when self-controlled by a universally self-conscious subject. Yugoslav socialists believed that self-control would give labour an intrinsically affirmative character. It was believed that the self-management of alienated conditions of work would lead to the negation of this alienation. But this approach more closely resembles participative co-management, than a substantively self-conscious motion into the concrete. In self-management, the abstract universality of proletarian labour, in which the producer is a mere cog in the wheel, becomes the abstract particularity in which the producer self-consciously identifies with the whole wheel. In practice, management is dominated by those with the greatest knowledge, those in the hierarchy of management, and those with political connections.

True universal labour does not result from the more integrative management of proletarian labour. The universalization of self-controlled work does not mean the integration of proletarian labour according to the norms of self-control. The system of labour must be intrinsically

self-affirmative. The Yugoslav delegate system failed because it attempted to establish self-control by encompassing commodity relations and proletarian labour within a formal system of self-management.

The problem of developing a true totality can be approached with respect to the differing meaning given to class by Hegel and Marx. For Marx, class particularity generates a false, or abstract, universal. The dominant class imposes its particular interest on the totality, through ideology and the state, to determine the totality of relations in its own interest. Hegel's classes, in contrast, are the organic fulfillment, within particularity, of the ethical universal. The point at issue is how to transform classes from abstract particularity into moments of the concrete. What kind of class system would be the actualization of universal self-determination in necessarily restricted spheres of activity? What kind of particularity is immanently universal?

The beginnings of such particularity exist today in professional labour. Professionals are admittedly limited by the mainly technical knowledge that they employ in their particular communities. On the other hand, concrete ethical reason is necessarily grounded in limited discourse communities. Pure ethical reason, above all particularity, is simply an abstraction. It implies social relations wherein the self-determination of the totality of relations is

estranged from the social production of life. Professional labour is, therefore, the substantive basis for any possible development toward concrete democracy. Self-determination is necessarily realized on two sides; internally, in individual and associational practices, and externally through participation in the global determination of social life. On the pattern of Hegel's Corporation, particularity raises itself to universality through associational political participation in the determination of social direction through an objective ethical discourse. Ethicality develops as this concrete externality is turned in upon professional associations to become ethical practices and internal motivations. These in turn reflect into the universal through a more developed critical assessment of its objectifications.

In today's conditions, professionals tend to become a privileged technocracy, not only in terms of income and opportunity, but also in the determination of the social totality. One can only hope that critical thought concerning the historic role and emancipatory potential of professional labour will contribute to the development of a society which is truly self-governing in the work of individuals, the life of communities, and as an ethical totality that objectifies our human potential.

In a self-governing community of self-affirmative labour, the producer would no longer be dependent upon his

position in a value-producing enterprise to gain a living. Work in one's career, as a member of a professional association, would be one's permanent employment. One's capacity, developed in this work, would be employed by the open and flexible work organizations of post-industrial society. The professional would be engaged in general social labour, as a member of a particular professional community, and put to work in particular instances as determined by the concrete universal social plan of associated production. Production associations in such a society may become productive not only of the means to satisfy economic needs, but also of more universal human beings, as the end to which production is subordinate.

The contradiction between organizational role and career development may be resolved when individuals focus their lives on productive self-control within their respective professional associations. Labour can be subjectively self-determined in its own organizations; and yet the Yugoslav experience also demonstrates that producers must, in addition, assume responsibility to and for the whole of society through their participation in a universal self-critical discourse. Such a discourse between professions respects the division of labour and the need to concentrate oneself, while at the same time subordinating technical discourse to ethical discourse, which for Hegel was the highest and most truly human labour.

This concrete ethical system is not a utopian vision, like Marx's radical, face-to-face democracy, but is instead already implicit in the negative objectifications of existing systems:

The contradictoriness between the educated workforce and the primitive organization of work must constantly generate a conflict out of which develops the critical consciousness of the workers.³⁴

The degradation of current work does not result simply from the management relations of the authoritarian workplace. It is at the same time a result of the absurd squandering of education and skill by the labour market. The potential for a concrete system of socio-political life exists in the denied recognition of the capacities of the potentially active population. An associational democracy, in which professional associations become the main centres of social productive activity, in a concrete ethical totality for the recognition of self-affirmative labour, is a political demand that grows out the conditions of all advanced industrial societies.

Yugoslavia's response to this central dilemma of the modern age encourages us to recognize that Marx was right when he argued that we cannot be free until we "rationally" regulate our economic relations to the natural world in which we live. But Hegel's contribution is even more instructive, for Hegel saw that we cannot be free until we

34 Ibid., p.18.

"rationally" regulate our relations with other human beings by defining, through ethical discourse, the terms of our mutual recognition and affirmation. Each insight is crucial. Each is underlined by the experience of Yugoslav self-management. Neither can be ignored without jeopardizing the fundamental project of human self-determination, which ultimately, as Hegel wrote, depends upon subsuming technical Understanding under philosophic Reason.

Conclusion

Capitalism is a social formation in which those who work the hardest most often receive the smallest reward, and those who will receive the highest monetary gain must shun direct labour. The solution to this injustice, however, does not lie in the distribution of income according to work. This mistaken idea of socialists is based on capitalist notions of work and reward. Such 'socialism' implicitly accepts the market and private capital. The Yugoslavs explicitly based their system on the market and socialized capital. This openness encouraged the development of a humanist critique which recognizes that the solution to exploitation, unemployment, wasted free time and the waste of production solely for profit is not the more egalitarian distribution of work and money, but the development of a new concept of work and of human wealth. Work should retain its meaning as activity for an other, for this is the very substance of social life. But it should be self-affirmative activity for an other, conducted in a particular associational environment in which work is objectified as the actualization of a concrete ethical totality.

In capitalism work is activity without intrinsic value, done to get money. Freedom is the absence of work. Consequently, people feel themselves to be most free

when they are doing absolutely nothing at all. The spirit of modern capitalism is getting something for nothing. Thus people tend to avoid the most truly rewarding activities, those which reflect into themselves to develop human capacities, because these require labour. But true human life exists in work. Real wealth, as Marx wrote, is living labour. The highest and truest human life, as Hegel wrote, exists in work that develops one internally. Dialectically conceived, this work is objectified and further develops man as the externalization of this internal development.

In Yugoslavia those who are employed, the "free self-managers", plan in order to avoid work and to gain the highest reward. Those without "work" have no means to participate in social labour. A new concept of work could both raise the efficiency of self-managed enterprise, through the introduction of ethically motivated professional norms, and end the tremendous human waste of unemployment and passive leisure time.

The Yugoslavs hoped to overcome economic and political estrangement through the self-conscious comprehension of commodity relations by immediate communities. The elementary formula for their system of self-management is: for every commodity relation, for every product capable of being represented on the market as a commodity, there must be a producers' association. Every unit capable of producing a commodity is to be organized and gain legal recognition as

an organization of associated labour. But ethical life is not the self-conscious recognition of market relations. These and other contractual relations must be subordinated to the principle of human self-actualization. Self-managed producers are truly self-determined when their contractual relations are the fulfillment, in their particular sphere of concern, of a universally conceived and centrally determined project for the development of our creative capacities.

The main flaw in the Yugoslav system is its lack of universality. On universality's internal side, this flaw results from a misconception of socialism as the self-management of estranged labour and capital. The true and substantive side of socialism is universal labour, grounded in particular pedagogical and working communities, and ethically motivated by a project for human self-development. On the external side, the main problem is that the political system focuses political interest on narrow particular and sectoral concerns. This restriction generates an ideological distortion that masks the political monopoly of the League in much the same way as the grassroots issues and formal mediation of liberal democracy mask the domination of capital.

Lack of political democracy has been the greatest obstacle to the establishment of the universal life necessary for global self-conscious direction. Kardelj feared that opening up Yugoslav society to political pluralism

would give the objectively dominant interests, western imperialism and eastern statism, an opportunity to intervene and tear Yugoslavia apart. This was certainly true in the 1950's. The case for political monopoly and a strong state in Yugoslavia is compelling; but as the bulwark of a self-management pluralist system for the withering away of the state, it is also highly contradictory.

Anyone who claims that opening up political systems in Eastern Europe today would necessarily bring counter-revolution either has tremendous faith in the restorative powers of capitalism or Stalinism, or has been politically socialized into ideology prevalent at the time of the cold war. Dissidents in Yugoslavia today are not ex-fascist collaborators or Cominform agents. They have grown up with forty years of socialism. Though they are unsatisfied and at odds with the status quo, the socialization against which they rebel largely determines their orientation. They are most of all opposed to a system that forbids free association around global issues and concerns. This right is currently being established in a de facto manner, much as the right to strike has been established though not recognized. The emergence of a Green movement is a sign that Yugoslavs may begin to organize themselves into global political associations, with or without constitutional sanction. If a stable system, at the global level of the life of the community, of free unions and professional associations, students' and

womens' associations, publishing collectives and, finally, political associations, begins to develop, Yugoslavia may yet become a truly pluralist and self-governing society.

The current system, which sees the concrete as the specific and democracy as the direct expression of particular interests, introduces an abstraction wherein global concerns can gain recognition only as local or particular concerns. In a genuinely pluralist system, global interests would have expression as global interests at the global level. In a concrete universal, global interest associations should not be monopolies of formal representation, but should be integrally bound to particular organic associations and motivated by humanist principles of self-determination and socialist self-government.

In the workers' movement, the extension of social control over the increasingly social, and correspondingly more powerful, forces of production was traditionally posited as the extension of the state. Yugoslav socialism built its system around the central humanist value of self-determination. To most people this meant the right of nations to self-determination, or the right of the individual to choose his course in life, to hold his own opinion, etc. But self-determination also has a much higher philosophic meaning, deriving ultimately from Hegel and from the humanist tendency in Marxism. It means praxis. Praxis is self-affirmative and universally self-conscious labour that

develops one's creative capacities.

Edvard Kardelj, the principal architect of Yugoslav agreement socialism, believed that capitalist alienation would be transcended when the producers manage the income that accrues both from current and past, living and dead, labour. He formulated the dictatorship of the proletariat as the political consequence of this self-control.¹ When mediated into a totality, on the basis of a delegate system and self-managing communities, modelled on the Paris Commune, the state would begin to wither away as an external coercive force.²

Kardelj's main objective was to establish socialist self-management as an integral system which guaranteed both the global leadership of the producers and their individual liberty, not as formal legal subjects, but as real, essentially, creative human beings.³ But by holding to the abstract radical notion of representation, which Marx had adopted from the French revolutionary tradition, Kardelj abstracted the universal into the particular. The highly complex delegate system failed because there is no truly global arena for participation. Mediation was conceived on the direct democratic principle of face-to-face relations in

1 Edvard Kardelj, Democracy and Socialism (London: The Summerfield Press, 1978), p.12.

2 Ibid., p.16.

3 Ibid., p.19.

which self-determination consisted in particular and individual interests maintaining their integrity against each other and against the universal community.

There has been a misunderstanding about what is meant by the disappearance of politics in socialist society. Socialism is the transcendence of alienation through the negation of its root in the conditions of the social reproduction of life. With an end to this estrangement, the separation of society into economic and political spheres ceases. But should this mean an end to the free associational activity by which people debate and resolve global matters of concern as members of expressly political global associations? I have argued that the answer must be in the negative.

Early formulations of socialism were abstract. The notion of 'from each according to his ability, to each according to his need' is, by itself, an abstract moral principle. It would be difficult to conceive a more formal, abstract and bureaucratic notion of socialism than the mere "administration of things". Historical experience has given the opportunity for more concrete formulations, but the old abstractions are clung to like religious dogmas. Yugoslavia has failed to develop a concrete dialectical notion of socialism. The delegate principle of representation is abstract because it relates the individual will to the general will simply as wills, as a system of the representa-

tion of interests. It is not a living system wherein freedom determines itself in the practices and objectifications of associational life. The system of needs is abstracted into economic interests represented by delegates.

A concrete system of socio-political life does not realize itself in resolutions, bills, organizational activity and meetings. Its life is the activity of individuals in associations for the mutual satisfaction of need. Concrete freedom does not mean the right of localities and associations to order a delegate to represent their position or quit. The self-conscious organization of a society, whose purpose is to overcome the estrangement of self-determination into forces beyond our control in the market and in the state, does not mean the absolute popular sovereignty of local communities. This is a radical libertarian notion which most certainly means political estrangement in practice, just as its economic equivalent, the free market, brings domination by monopolies and the exploitation of those who do not possess capital.

The free association of labour can and should entail the self-conscious organization of society. This kind of social self-organization overcomes radical bourgeois notions and reformulates socialist democracy as a concrete universal. For a truly free existence, one must be self-consciously aware of the totality of relations and actively determine the development of this totality through personal-

ly affirmative social labour as a member of one of its particular communities.

Hegel demonstrated direct democracy to be abstract in that it is predicated upon a direct identification of the individual with the universal, which estranges both the individual and the universal from the organic life of the community. To this radical individualism, whose counterpart is the domination of the social totality by a particular interest, Hegel counterposed a concrete system of mediation in which the universal, particular and individual could be affirmed in each other and yet remain distinct. The dominant moment, however, is and must be the universal. A self-conscious discourse on the universal defines the meaning and the ethicality of all relations.

In Hegel's system of ethical life the objective recognition of one's labour begins with membership in one of the corporately organized spheres of labour. One becomes recognized as a member of society through one's membership in a Corporation which has representation in the highest assembly of the socio-political community. Individual, communal and other levels of self-determination are bound into a concrete totality through political participation in assemblies for the mediation of interests as part of the determination of global direction.

One's necessarily focused subjective activity gains objective recognition in the Corporation. The mediation of

a corporately organized system of labour brings this recognition up to ethical universality. At the level of totality the various organic associations are mediated into objective ethicality. In a concrete universal this is turned back onto their particular associations, not as formal legality, but as an internalized universality which is objectified in the practices of the members of these associations. These objectifications, in turn, become the basis for a motion to a truer ethical system. This is the rational organic dialectic of a concrete democracy. The system may become a fully dialectical concrete totality, one that affirms human nature at all its various levels of self-consciousness and self-determination, when the substance of association is affirmative labour by a producer substantively motivated by self-conscious universality, internalized through a world-historic experience of epoché. But such a system will work only when this negativity is informed by the critical culture of an independent intelligentsia. This critical self-consciousness is necessary to the immanent dialectical development of human freedom into a concrete totality.

This is the historic importance of the new producer. As in the case of the proletariat, universality is implicit in the economic activity of the new producers. The crucial difference is that the traditional proletariat organizes against capital, whereas the new producers have the poten-

tial to organize for society. The new producers' associational activity implies a Bildung through which the individual may develop the capacities for universal self-government within a dialectical political system.

The question of enhancing social control without denying self-determination has often been posed as one of freedom versus order. A dialectical political system transcends this whole problematic through the integration of freedom and necessity. A human concrete universal makes freedom its own internal necessity. Man is self-determined because the ethical totality determines free self-affirmative labour in accordance with its own internal dialectical motion. The conceptual opposition of freedom to order has been the result of relations of class conflict in which the right to self-determination of those most directly engaged in production has been denied by the alienated labour that they perform. The product they produce is the property of someone else, of a class that dominates them in socio-political life; and the labour itself is most often a self-denial that tends to cripple, or to leave undeveloped one's reasoning and creative capacities.

The scientific-technical revolution progressively abolishes this kind of labour and makes socio-political relations based upon it more and more absurd. It generates a tremendous amount of free time, which for the old systems is just wasted time and unemployment. The old systems,

based on the alienation of labour-power, break down as the objectification of our intellectual and creative powers becomes the main dynamic in the system of needs. The integration of freedom with self-determined necessity is the true driving force of social progress. When determined by a concrete ethical totality, this force gains political expression as the demand for humane production relations and for our general affirmation as free creative species-beings.

Hegel and Marx recognized that a new social individual was being created, one necessarily integrated by the social character of production into a universal system of social relations. Yugoslav associational socialist self-government is an attempt to acknowledge this new reality. The principal difficulty is that Marx's influence has prevailed, while the influence of Hegel upon Marx has not been understood. The result is a society conceived on the model of the Paris Commune, that is, a form which is alien to its own content. Liberal formalism has given way to Marxist formalism. The content of the modern world is that of particulars with a revolutionary potential for universality. This content means that the project for universal human emancipation cannot be realized in one commune, or even in one country. But the experience of one country can speak to the whole world as a world-historic experience which transforms the totality of world consciousness. The purpose of this thesis has been to explore the possibility

that Yugoslav socialist self-management, while not without serious flaws, may nevertheless speak to the twentieth century as the French Revolution spoke to the nineteenth century. The French Revolution acknowledged the claims of abstract right and free subjectivity. Socialist self-management has the potential to mediate this abstract freedom into concrete universal freedom, thereby vindicating the emancipatory philosophies both of Hegel and Marx.

On a very practical level, this thesis explains the error behind the false antinomy of self-management versus central planning. It should be quite clear by now that central planning, without an internal dimension in the free self-determination of associational communities, is a technocratic abstraction that denies the fundamental democratic and human rights of the direct producers. True central planning is the concrete universal determination of the totality of relations, which is self-developed in the internally motivated universality of free and self-organized communities, and their individual members. It is the culmination, at the level of totality, of the knowledge and historic experience of the plan subjects. Without such free self-development, the central plan is nothing more than an abstraction, the dead hand of the bureaucracy administering a purely formal system of social relations.

But self-determination as the particular and self-interested expression of right, as is the current practice in

Yugoslavia, is equally an abstraction, one that leaves freedom open to the contingency of a contest between the strongest particular totalities, such as the market and the state. True self-management is democratic central planning as a concrete universal. As the rational expression of a holistic ethical totality, it is the affirmation of freedom in a totality of internally developed universal self-consciousness, of human freedom which forms itself out of its own content in universally self-conscious self-affirmation. This plan is freely developed and articulated out of the motivations and objectifications of individuals and self-determined communities. The content of concrete freedom is human subjectivity which knows and actively works for the realization of human freedom as a concrete totality for the ethical development of our manifold particular capacities to the highest levels of excellence.

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APPENDIX

NOTES ON EDMUND HUSSERL

1. Phenomenological Method

The phenomenological method could best be described as essentialist. Truth, real being or necessity resides in essences. Essences are immediately manifested in the phenomenal world. Hence truth or essential knowledge is phenomenal. The truth of phenomena, or of their concepts, is derived from an essential analysis of the acts of consciousness. Truth is constituted by the subject in the structure of subjectivity. Thus knowledge depends upon a reflexive self-consciousness which self-critically understands how its own structures of reason determine the phenomenal world.

According to Lauer, in his introduction to Phenomenology and the Crisis of Philosophy p. 28, there are three essential factors which indicate how Husserl believed that the scientific ideal is moved:

- "They are: the notion of a cognition whose objective validity can be determined by an examination of the act of knowing itself, the constant necessity of
- beginning over again in the acquisition of scientific knowledge, and science as an accumulation of established truths achievable only by the cooperative efforts of a community of investigators."

In Husserl's thought objectification and reification tend to have the same meaning. This has been brought over into critical Marxism, with the consequent errors in their interpretations of Hegel and Marx. Husserl, quite rightly, believed that there is a natural tendency for thought to be objectified, or reified, into beliefs not aware of the subjectivity upon which they are based. Thought not aware of the subjectivity which constitutes it is ideological. Similarly, social systems which occlude the subjective bases of their practices are ideological and oppressive. According to Husserl:

"To follow the model of the natural sciences almost inevitably means to reify consciousness..."¹

"the natural sciences give merely the appearance of having brought nature to a point where for itself .

¹ from "Philosophy as a Rigorous Science," in Edmund Husserl, Phenomenology and the Crisis of Philosophy (New York: Harper and Row, 1965), p.103.

it is rationally known. For true nature in its proper scientific sense is a product of the spirit that investigates nature, and thus the science of nature presupposes the science of the spirit."²

Only a science which presupposes a science of the spirit can be a true science of essences and not "self-concealing".³ Current sciences of the spirit are objectivist in that they allow the natural sciences their objective autonomy. They agree that natural science is "objective".

Phenomenology is the fundamental method for the critique of ideology. Ideology, in the main, takes the form of naive natural science which is unaware of how its own subjectivity constitutes the objective world. Marx had applied this phenomenological method in his critique of capitalism, but without realizing the more general critique of objectivist science that it implies. Marx had hoped to establish his own objectivist science of the "laws of motion" of capitalism. Political economy studies the motion of capital as a natural scientific phenomenon, unaware of the class interests behind the objective motion of capital, to which it gives objective scientific representation. It was, in particular, unaware of the exploitation of the occluded class—the workers who are the real source of the capitalists' wealth.

But whereas Marx had analyzed the crisis of capitalism, Husserl analyzed the crisis of man. Man's exteriorization in naive objectivism was bringing about his own self-destruction. In losing touch with meaning, man was engaging in activities which would ultimately culminate in the destruction of his own being.

"Precisely this lack of genuine rationality on all sides is the source of what has become for man an unbearable unclarity regarding his own existence and his infinite tasks. These last are inseparably united in one task: only if the spirit returns to itself from its naive exteriorization, clinging to itself and purely to itself can it be adequate to itself."⁴

Husserl's self-consciousness is a critique of the naive acceptance of reason. In this he is more advanced than Hegel. But his transcendental phenomenology, by which he hopes to establish the primacy of meaning over technical discourses is based on the individual cognitive acts of an absolute ego like

2 Ibid., p.189.

3 Ibid.

4 Ibid., p.189.

Fichte's, with all the problems of intersubjectivity that this entails. In terms of Hegel's concrete universal, phenomenology gives primacy to the doctrine of essence, and thus falls prey to abstraction but from the opposite direction of the natural sciences. Whereas the abstraction of the objectivist sciences lies in an objective totality estranged from the subjectivity which produces it and should give it ultimate meaning, the abstraction here is a subjective totality which does not recognize the internal relation between objectification and the necessary development of self-consciousness. While Husserl is aware of the lack of content of Kant's transcendental philosophy, his philosophy's lack of dialectic and concrete universal did not allow him to fully develop this content as an objective human materialization that internally develops subjectivity.

Husserl states that transcendental phenomenology overcomes objectivism

"in the only possible way, by beginning one's philosophizing from one's own ego; and that, purely as the author of all one accepts, becoming in this regard a purely theoretical spectator."⁵

According to Lauer:

"He saw clearly that Kant's rational endeavor to achieve universality had failed precisely because it had stopped short of rationalizing experience itself. But having refused the Hegelian dialectic "system", he had no recourse but to a Fichtean "transcendental idealism", wherein he could identify reason and experience by an appeal to the transcendental source of both reason and experience, the absolute subject. He differs from Fichte, however, in not invoking this absolute subject at the beginning but only at the end of a methodological procedure. ... Only after the non-subjective had been systematically - and painfully- eliminated could the subjective source of all objective validity stand revealed and yield up its scientific secrets."⁶

Lauer later notes that:

"A Hegelian might well say that Husserl has made the mistake of stopping at essential intuition instead of seeing it as merely a "moment" in a larger process."⁷

5 Ibid., p.190.

6 Ibid., p.26.

7 Ibid., p.65.

2. Intentionality and the Constitution of the Object

In the psychic world being and appearance are identical. Thus phenomena are essences. Lauer writes:

"the being of the psychical is its appearing, a phenomenal being constantly in flux, graspable only in an essential intuition."⁸

"Granted that phenomena tell us nothing about the existence of anything, they do afford us a knowledge of essences, and this is necessary knowledge in the fullest sense."⁹

Phenomenology is a method to transform our given pre-reflexive and pre-thematic Lebenswelt, or "everyday world", into a philosophic world of essences in which reality has been thematized into a condition in which reason sees. The world is reconstituted according to the necessary laws of reason.

The habitual thematization of the world develops in transformations of attitude, or epochē, in which normal practical attitudes are suspended. A philosophic attitude develops in moments when the subject turns inward to question his own subjective constitution of the world. Epoche is an experience of the suspension of everyday life in an objective instance of self-reflection. Today this especially involves the suspension of the naive objective view.

Objectivity is immanent in the intentionality of the thinking subject. Phenomenology is the science of the self-occluded rationality of science. It investigates the intentional orientation of the scientific subject to see how one constructs the essential world, i.e. the thematic world, environing or Umwelt. The validity of knowledge is determined through an analysis of the act of apprehension. Lauer writes that:

"the ideal of "objective validity" demands that the apodictic givenness of the object be completely established within the structure of the cognitive act itself."¹⁰

Both form and content are a priori. Both are equally immanent in consciousness. Both are constituted in the experience of subjectivity. The problem is to unite this immanence and

8 Ibid., p.11.

9 Ibid., p.21.

10 Ibid., p.30.

objectivity. This unity comes through a knowledge of essences which is established through "an analysis of the intentional structures of consciousness". This should give a "knowledge of objectivity within the immanence of consciousness itself".¹¹ Rationality is the logic immanent in subjectivity's constitution of the objective. Objectivity is a subjective necessity constituted as logical, rather than as merely psychological.¹² Thus reason is "the faculty of necessity".¹³ This does not mean that reason is a reflection, or a picture knowledge, of reality. Rather reality is constituted in reason.¹⁴ Thus Husserl overcame the Kantian dualism of noumenon and phenomenal, and the objectivist estrangement of spirit and nature, with the idea of the constitution of reality in the intentionality immanent in the thinking subject.

3. Intentionality

Husserl's epistemology "is conditioned by the Kantian approach to the problematic".¹⁵ He is not concerned with the truth of the object per se, "but rather with the validity or invalidity of the act ... the act itself reveals its own validity or invalidity - based on the necessary a priori conditions or rules for valid thinking: an act completely in accord with the rules for this type of act is valid."¹⁶

Husserl developed a theory of "intentional constitution" wherein "being can be absolute (and thus an object of "science") only if it has been constituted in the mode of necessity proper to reason."¹⁷ Truth is determined

"in an analysis of intentional conscious acts, with their noeticnoematic structures (i.e., their subjective structure as acts and their objective structure as acts intending objects)."¹⁸

11 Ibid., p.52.

12 Ibid., p.61.

13 Ibid., p.63.

14 Ibid., p.64.

15 Lauer in Ibid., p.29.

16 Ibid.

17 Ibid., p.30.

18 Ibid., 52.

Most interesting is Husserl's notion of intuition which is the highest form of immanent subjectivity since its source is reason itself. This inner sense of essence is developed through the internalization of a technique, or phenomenological vocation, of epochē and reduction through which "experience itself is rationalized".¹⁹ The immanent development of knowledge is of the thinking subject up to this intellectual intuition in which reason is thoroughly immanent in the subject's constitution of the objective world.

Husserl's intentionality is a notion of how reason sees. As Husserl writes:

"Only when immanent seeing and the experience of things come to synthesis, do view phenomenon and experienced thing enter into relation to each other."²⁰

As one develops this phenomenological intuition, or reason seeing, one can know a truth, "can intuit an "essence"", "just as easily as one can hear a sound".²¹ Reason becomes a human sense.

4. The Development of Knowledge and Epoche

Knowledge develops through transformations of attitude. The theoretical, or philosophic, attitude begins as a thirst for knowledge among individual members of scientific communities. This spreads from these individuals to these communities. Finally, it spreads from scientific communities to an international community "in which the guiding light is the philosophical ideal".²²

The philosophic attitude had begun in Greece with "a new kind of attitude of individuals toward their environing world".²³ Husserl hoped to participate in an historic experience which would establish a new and higher philosophic attitude. For such an epoche today, the sciences must break out of their positivist and objectivist molds and be recast as rigorous, phenomenological or critically self-conscious sciences.²⁴ This transformation, or historical epochē in the terminology that I have adopted, would

19 Ibid., p.62

20 Ibid., p.108.

21 Ibid., p.115.

22 Lauer in Ibid., p.18.

23 Husserl, in Ibid., p.159.

24 Ibid., p.144.

begin when men look beyond facts to ideas.²⁵

Historical epoché is a transformation of a social formation's structure of intentionality, a transformation of the totality of the subjectivity by which it both comprehends and develops itself. This corresponds most closely to Husserl's own universal epoché. In general, epoché is any act or experience which establishes a particular totality of consciousness. In its most limited usage, it corresponds to the adoption of a social role in which the individual sets aside the attitudes which correspond to his other social roles in order to concentrate on one particular activity. Universal epoché and this more limited meaning overlap in that for an individual to become universally self-conscious, he must adopt the infinite attitude or continual universal epoché as a vocational practice which supersedes all other everyday practices. The epoché which establishes the phenomenological attitude is a technique which develops immanently through practice and experience by which one is able to strip appearance of all that is contingent, or merely existential, and thus reduce appearance to the purely phenomenal or essential. This epoché establishes a "clear" individuality capable of directly perceiving essential or necessary knowledge, of course not as an individual, but as a member of a discourse community. The continual reduction to subjectivity requires the constant participation of many perspectives in a community engaged in the pursuit of truth. A society based upon vocational communities motivated by the intentionality of such a phenomenological attitude could be non-ideological. This totality could be internally moved by a universal interest to establish true human universality.

Husserl gave an exposition of "historical epoché" in his "Philosophy and the Crisis of European Man".

"The spiritual telos of European Man, in which is included the particular telos of separate nations and of individual human beings, lies in infinity; it is an infinite idea, toward which in secret the collective spiritual becoming strives. Just as in the development it becomes a conscious telos, so too it becomes necessarily practical as a goal of the will, and thereby is introduced a new, a higher stage of development that is guided by norms, by normative ideas."²⁶

"To have a norm constantly in view is something intimately a part of the intentional life of individual persons and consequently of nations and of particular societies within the

²⁵ translator's note, Ibid., p.161.

²⁶ Ibid., p.158.

latter, and ultimately of the organism formed by the nations united together as Europe. This, of course, is not true of all persons and, therefore, is not fully developed in the higher-level personalities constituted by intersubjective acts. Still, it is present in them in the form of a necessary progressive development and extension in the spirit of universally valid norms. This spirit, however, signifies at the same time the progressive transformation of collective humanity beginning with the effective formation of ideas in small and even in the smallest circles. Ideas, conceived within individual persons as sense-structures that in a wonderfully new manner secrete within themselves intentional infinities, are not in space like real things, which latter, entering as they do into the field of human experiences, do not by that very fact as yet signify anything for the human being as a person. With the first conception of new ideas man gradually becomes a new man. His spiritual being enters into the movement of a progressive reformation. This movement from the very beginning involves communication and awakens a new style of personal existence in its vital circle by a better understanding of a correspondingly new becoming. In this movement first of all (and subsequently even beyond it) a special type of humanity spreads out, living in finitude but oriented toward poles of infinity. By the very same token there grows up a new mode of sociality and a new form of enduring society, whose spiritual life, cemented together by a common love of and creation of ideas and by the setting of ideal norms for life, carries within itself a horizon of infinity for the future - an infinity of generations finding constant spiritual renewal in ideas."²⁷

The essential condition for this growth is the existence of philosophical communities:

"a particular kind of cooperation whereby men work with each other and for each other, helping each other by mutual criticism, with the result that the pure and unconditioned validity of truth grows as a common possession."²⁸

These philosophic communities are also professional communities. Indeed, the historical-cultural movement that Husserl describes began with the first professionals, the sophists. As occurred in ancient Greece this motion will spread "far beyond the professional circles, becoming an educational movement".²⁹ This

²⁷ Ibid., p.160.

²⁸ Ibid., p.175.

²⁹ Ibid., p.175.

should bring a universalization of the theoretical attitude or "the characteristic universality of the critical standpoint" which is not merely a new way of looking at knowledge but changes "the practical order of human existence and thus of cultural life in its entirety".³⁰ Husserl hoped that this will result in an "upheaval" that leads into a "battle", "in the sphere of political power".³¹

5. Epoché and The Crisis of the European Sciences

Whereas Hegel begins from a critique of the epoché of Spinoza in which everything is reduced to absolute substance, Husserl begins from a critique of the Cartesian epoché.

it is unavoidable that he, and anyone who seriously seeks to be a philosopher, begin with a sort of radical, skeptical epoché which places in question all his hitherto existing convictions, ... 32

Epoché is a dissolution of the naive or "in general of validities already in effect".³³ It begins today with a criticism of the naivete of all the so-called objective sciences for their lack of reflexivity in ascertaining their universal prelogical groundings in certain given normative structures.³⁴ These sciences are idealistic, despite their "materialism", because they occlude the subjective interests that underly their factual presentations.

The epoché which had bracketed the objective sciences was not enough since it had excluded the prescientific, or extrascientific, life-world from rational self-comprehension. Thus the "objectivity" of these sciences is estranged from the human life-world conditions which should determine the human meaning and ethicality of their limited, technical activities.

" Now, How Can the pregivenness of the life-world become a universal subject of investigation in its own right? Clearly, only through a total change of the natural attitude, such that we no longer live, as heretofore, as human beings within natural existence, ... What is required,

30 Ibid., p.174.

31 Ibid., pp. 175-76.

32 Edmund Husserl, The Crisis of European Sciences and Transcendental Phenomenology. David Carr trans. (Evanston: Northwestern University Press, 1970), pp. 75-6.

33 Ibid., p.135.

34 Ibid., p.141.

then, is a total transformation of attitude, a completely unique, universal epoche."35

But Husserl's universal epoche is primarily a means by which the I transforms the constitution of its intentionality. Limited by an epistemology that begins from the perception of the individual subject, which sees knowledge as an essence, and without a dialectical understanding of the mutual transformation of ontology and self-knowledge, Husserl's epoche can only arrive at Fichte's absolute ego.

" Only by starting from the ego and the system of its transcendental functions and accomplishments can we methodically exhibit transcendental intersubjectivity and its transcendental communalization, through which, in the functioning system of ego-poles, the "world for all", and for each subject as world for all is constituted.36

Universal epochē

"reveals everything that was just put forward as obvious to be a naivete which necessarily and forever becomes impossible as soon as the epoche and the reduction are actually, and in the full sense, understood and carried out".37

It is an experience wherein what was accepted as a universal truth comes to be recognized as naivete. Universal epoche is the self-conscious recognition of the ideological, and hence the beginning of the real negation of ideology. In Marxism, it is the recognition of the class interests that underly knowledge and social systems. The revolutionary exposure of the naivete of the apparent truth and universality of class-based ideologies is a real experience of universal epoche when internalized by the radical classes of a social formation, that is, those classes which hold a higher universality implicitly in their social being.

For Husserl, the problem of communication and intersubjectivity for his absolute subjects, or universal individuals, is solved in the experience of universal epoche itself wherein the internal development of self-critical universality becomes the mutual basis in intentionality, in the self-conscious intentionality of the new universal, through which

35 Ibid., p.148.

36 Ibid., pp. 185-86.

37 Ibid., p.247.

the various ego-poles form a new community. According to Husserl, "self-consciousness and consciousness of others are inseparable ... in the unitary flow of a historical development".³⁸ This common terrain of historical self-consciousness is historicity. Universal epoché establishes self-critical universality as the immanently developing substance of historicity.

"Within the universal epoche which actually understands itself, it becomes evident that there is no separation of mutual externality at all for souls in their own essential nature. What is a mutual externality for the natural-mundane attitude of world-life prior to the epoche, because of the localization of souls in living bodies, is transformed in the epoche into a pure, intentional, mutual internality. With this the world - the straightforwardly existing world and, within it, existing nature - is transformed into the all-communal phenomenon "world", world for all possible and actual subjects, none of whom can escape the intentional implication according to which he belongs in advance within the horizon of every other subject."³⁹

The immanent mutual intentionality begun in the universal epoché exists and develops in concrete working communities engaged in the "extremely subtle and differentiated work" of perfecting the vocational techniques of epoche and reduction. These concrete associations are "the essential structures of absolute historicity".⁴⁰

" the essential structures of absolute historicity, namely, those of a transcendental community of subjects as one which, living in community through intentionality in these most general and also in particularized a priori forms, has in itself and continues ever to create the world as intentional validity-correlate, in ever new forms and strata of a cultural world. This, systematically developed through the most rigorous of all conceivable methods that is, the method of transcendental subjectivity reflecting apodictically upon itself and apodictically explicating itself - is precisely transcendental philosophy."⁴¹

Finally when our natural world, or life-world, is no longer naive

38 Ibid., p.253.

39 Ibid., p.255.

40 Ibid., p.259.

41 Ibid.

"every new piece of transcendental knowledge is transformed, by essential necessity, into an enrichment of the content of the human soul".⁴²

Husserl's philosophy fills out the answer to the question of what particular communities may actualize a critically self-conscious totality of human self-determination. His critique of objectivist science established the fundamental critical attitude to be taken against all ideologies. It shows the constant self-conscious action necessary for critical thought to sustain its reflexivity while gaining real existence in human communities. These ideas had been a main influence underlying Gouldner's thought, though he never did cite Husserl. Gouldner's work influenced Rus and Arzenek. Kojève's Marxism, which was deeply influenced by Husserl, had deeply influenced Yugoslav critical Marxism. But though Husserl has been a determining influence on the "environing world" of self-management, Yugoslavs have not been aware of this grounding, just as they were not fully aware of self-management's dialectical and ethical grounding in Hegel. Husserl's influence helps to explain humanist Marxists' mistaken notion of reification as objectification and their limited essentialist view of totality. Marx himself gave primacy to Hegel's doctrine of revolution in which a transformation in essence finally bursts through the old shell to establish a new totality. But whereas the technocratic ideologists of scientific-technical revolution see the transformation of content as the objective motion of the forces of production, humanist Marxists, influenced by this admixture of Hegel and Husserl, will be able to see it most essentially in specifically human terms as the Bildung and the political struggle of the producers to establish concrete associations which will be the absolute structures of historicity.

Husserl's phenomenology will aid the operationalization of my work. His rigorously methodological phenomenology, which defocalized the broad historical perspective, perfectly complements Hegel's profound and sweeping philosophy, which was not particularly concerned with the details of determining truthful empirical statements. The investigation of the "heart", or the substantial ethicality, of self-managed professionals may be best conducted as an analysis of their intentionality in a self-management system and its possible transformation in an experience of epoché. The execution of this project lies beyond the scope of the present work which has been limited to a critical analysis of theories in order to determine the best empirical direction for research. I hope to operationalize this theoretical investigation in an empirical work which focuses on socialist self-management and the self-consciousness of the new producer.

⁴² Ibid., p.264.

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