

## Introduction

Our aim in presenting this pamphlet is to place the debate on public ownership in its proper perspective. The fact that nationalisation of the means of production has traditionally been part of a Socialist programme is not enough to justify our retaining it today. But neither can we follow a certain facile anti-traditionalism which, on the pretext of "re-thinking", searches above all for novelty. We cannot **re-assess our traditional programmes** without considering the basic aims they were meant to serve, and the wrongs they were meant to right.

The demand for public ownership arose, basically, because the capitalist system could not provide the majority of people with economic welfare and security; because capitalist society could find no place for the exercise by the worker of responsibility and initiative, or for the development of his creative potentialities, in short for his development as a human being; and, therefore, because capitalist property relations could not allow of a real community of persons, but only of an insoluble antagonism of interests.

It was believed that the ownership by the few of the means of production, whose prime function was thus to increase the wealth of a minority, was incompatible with the

well-being of the many; that the control of the activity of production by this minority ruled out the possibility of a genuine economic democracy, of control by the workers over their life as producers; and that the ownership of large-scale private property could have no place in a society made to the measure of man.

But capitalism has changed. The system no longer exhibits the same laws, the society has a different structure, and the property relations have undergone a transformation. In addition experiments which claim the name "socialist" have been started, and even in societies which are avowed non-socialist some parts of the original programmes have been put into effect. All this forces us to reconsider our traditional programmes, and it is right that it should. But this "re-thinking" must be carried out in the light of the basic aims which have always been at the heart of the drive for socialist society: ensuring the maximum economic well-being of the people as a whole, achieving a human status for man as a worker, opening the way for the growth of a genuine community among men.

The search for a redefinition of Socialist programmes which the Labour movement has been concerned with now

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several years, has been carried on in two directions. There has been an attempt to find the key features of the new phase of capitalism and at the same time an attempt to clarify the concept of public ownership after the experience of the first Labour Government.

One school of thought, represented, among others, by C. A. R. Crosland (in his book *The Future of Socialism*) contends that we would be justified in saying that capitalism no longer exists, so greatly does the modern economy differ from that which Marx analysed a hundred years ago. One of the most radical changes is said to be the divorce of ownership from control which, it is claimed, has profoundly modified the laws of the system, and robbed it of many of its anti-social features.

**The unequal struggle**

For some time this view had only to contend with a fundamentalist approach, adopted by those who believed that nothing had changed, that we are still dealing with a capitalist class for whom the original categories hold good unamended. The struggle was an unequal one—clearly very great changes have come about—and the lack of a cogent alternative thesis is one of the main reasons why the belief is so widespread that capitalism has gone through a great inner reform as a result of a "managerial revolution." It is this view which underlies the analysis of contemporary British capitalism put forward in *Industry and Society*.

We believe that this view is in part highly misleading and in part false. Fortunately the beginnings of a cogent alternative picture of modern capitalism is in the making. John Strachey's *Contemporary Capitalism* is one of the first fruits of this re-thinking, which is not content to take the new society at the word of its public relations experts. In America, C. Wright Mills has elaborated some penetrating new concepts, some of which can be helpful in a British context. We have attempted in the first part of this pamphlet to bring together some of the strands of this new picture and to fill it in to some extent with our own research.

But there is another reason for the ready acceptance of the picture of capitalism painted by *Industry and Society*. This image fits well with two basically different attitudes to public ownership, both of which are widely held in the Labour movement. The first is that nationalisation is, apart from a few residual companies, a thing of the past, and that the road forward for Socialists lies in the attempt to equalise wealth and maximise welfare by means of fiscal measures, an improved and more imaginative social security programme, and so on. The second is that nationalisation must still be an important part of Labour's future programme, but mainly as a means to expropriate the wealth of the propertied few. Protagonists of both these basic policies can accommodate themselves to the view that ownership of industry is now divorced from control, and that the shareholders are a kind of functionless vestige of an earlier era, incapable of exercising any influence on the managers, who,

themselves having no interests in conflict with those of the community are doing a competent technical job of work. Those who oppose further large-scale nationalisation support their view by emphasising that the private sector today operates smoothly, insulated from the worst effects of the profit motive, while the advocates of nationalisation use the argument that the shareholder can be expropriated without any adverse effects on the ongoing economic process.

Thus the analysis in the first part of the N.E.C. document *Industry and Society* was widely acclaimed, whereas the policy recommendations which follow in the second part have been the object of much controversy. For if the analysis of capitalism can be accepted as common ground by "nationalisers" and "anti-nationalisers" alike, the recommendations are a kind of studiously vague compromise between them which may in the end satisfy nobody.

We believe that this analysis is faulty, but there is another point at which we must disagree with both the above schools, and that is in their understanding of public ownership. Those who wish to restrict the public sector, and those who wish to extend it merely in order to expropriate the wealthy agree also in accepting the existing model of public ownership. But to this there are two objections. First, the record of the existing public sector has not up to now been adequately studied. As things stand at present we cannot say that public ownership has meant social control. In this connection we think Clive Jenkins' article, including much previously unresearched material, should be of great interest to the Labour movement.

Secondly, public ownership must be seen in the context of the original Socialist goal of industrial democracy. The experience of the last 10 years in Britain, and above all the development of Soviet Communism emphasises the fact that simply replacing the Capitalist by the State doesn't do away with bureaucratisation and paternalism, but may on the contrary, enhance them. Nationalisation is not enough. It expropriates the capitalist, but cannot itself free the worker. We must also have a real participation by the workers in the management of industry and adequate safeguards against the irresponsible use of power or privilege. The last article in this pamphlet is, therefore, devoted to a discussion of workers' participation and to the possible forms it could take in a socialist Britain.

We cannot claim to have come close to exhausting the subject, nor can we put forward a concrete programme at this stage. We include a survey by Peter Sedgwick and Mike Artis of some of the proposals which have been made in the Labour movement, and which show that detailed thinking on this aspect of the problem is not lacking. But we do not intend to put forward such a programme here. Our aim is to find a Socialist perspective on the debate on public ownership. This requires that we make clear both the values which must be embodied in a socialist society, and the structure of our contemporary society. And this is what we have tried to do in this pamphlet.

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