**Headline:** Socialism’s Self-Criticism and Real Democracy

By Richard D. Wolff

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**[Article Body:]**

Democracy is incompatible with class-divided economic systems. Masters rule in slavery, lords in feudalism, and employers in capitalism. Whatever forms of government (including representative-electoral) coexist with class-divided economic systems, the hard reality is that one class rules the other. The revolutionaries who overthrew other systems to establish capitalism sometimes meant and intended to install a real democracy, but that did not happen. Real democracy—one person, one vote, full participation, and majority rule—would have enabled larger employee classes to rule smaller capitalist classes. Instead, capitalist employers used their economic positions (hiring/firing employees, selling outputs, receiving/distributing profits) to preclude real democracy. What democracy did survive was merely formal. In place of real democracy, capitalists used their wealth and power to secure capitalist class rule. They did that first and foremost inside capitalist enterprises where employers functioned as autocrats unaccountable to the mass of their employees. From that base, employers as a class purchased or otherwise dominated politics via electoral or other systems.

Socialism as a critical movement, before and after the 1917 revolution in Russia, targeted the absence of real democracy in capitalism. Socialism’s remarkable global spread over the last three centuries attests to the wisdom of having stressed that target. Capitalism’s employee class came to harbor deep resentment toward its employer class. Shifting circumstances determined how conscious that resentment became, how explicit its expressions, and how varied its forms.

A certain irony of history made the absence of real democracy in socialist countries an ongoing target of many socialists in those countries. More than a few socialists commented on the shared problem of that absence in both capitalist and socialist countries notwithstanding other differences between them. The question thus arose: why would the otherwise different capitalist and socialist systems of the late 20th and early 21st centuries display quite similar formal democracies (apparatuses of voting) and equally similar absences of real democracy? Socialists developed answers that entailed a significant socialist self-criticism.

Those answers and self-criticism flowed from a recognition that in both capitalist and socialist systems, business enterprises (factories, offices, stores) were organized overwhelmingly around the dichotomy of employer and employee. This was and remains true of private enterprises, whether more or less state-regulated, and likewise of state-owned-and-operated business enterprises. In parallel fashion, much the same was true in slave economic systems: the master-slave organization of productive activities prevailed in both private and state enterprises. Similarly, the lord-serf organization of production prevailed in both state (royal) and private (vassal) feudal enterprises.

Real democracy proved equally incompatible with slave, feudal, capitalist, and socialist systems in so far as the socialist systems retained the prevailing employer-employee structure of their enterprises. In fact, the three kinds of modern socialist systems all display that employer-employee structure. Western European social democracies do so because they leave most production in the hands of private capitalist enterprises that were always built on employer-employee foundations. Moreover, when they established and operated public or state-owned-and-operated enterprises, they copied those employer-employee structures.

Soviet industries—chiefly publicly owned and operated—positioned state officials as employers in relation to employees. Finally, the People’s Republic of China comprises a hybrid form of socialism combining a mix of both of the other forms, a roughly equal split of private and state enterprises. China’s hybrid socialism shares the employer/employee organizational structure in both its state and private enterprises. All three kinds of socialism—social democratic, Soviet, and Chinese—broke in many important ways from the capitalism that preceded them. But they did not break from the basic employer-employee organization of enterprises, that relationship which Marx’s Capital pinpoints as the source of exploitation, that appropriation by employers of the surplus produced by employees.

All three kinds of modern socialism remain crucially incomplete in terms of having not yet gone beyond the employer-employee organization of production. It follows that socialists’ self-criticism—that actually existing socialist systems fell short of their standard of real democracy—may be linked crucially to those systems’ retention of the employer-employee relationship at their economic core.

Employers and employees are, together, defined by a specific class structure. They are its poles, the two possible positions individuals hold in production. They emerged with capitalism out of the disintegrations of previous systems. Such prior systems included (1) feudalism and its economic structure’s two positions of lord and serf, and (2) slavery and its economic structure’s two positions of master and slave. Because masters, lords, and employers are usually few relative to the numbers of slaves, serfs, and employees, and because they live off the surplus extracted from those slaves, serfs, and employees, they cannot allow a real democracy as it would directly threaten their class positions and privileges. In actually existing socialist societies, real democracy’s incompatibility with class-divided economic systems is encountered yet again.

Because this time it is many socialists who make the encounter, they ask why modern socialism, a social movement critical of capitalism’s lack of real democracy, would itself merit a parallel criticism. Why have socialist experiments to date produced a self-criticism focused on their inability to create and maintain authentic democratic systems??

The answer lies in the employer-employee relationship. It always was the key obstacle to real democracy, the cause and literally the definition of those classes whose oppositional existence precludes real democracy. Those socialists who faced the problem of real democracy articulated it as a definition of/demand for “classlessness.” Without classes, no ruling class. If the employees become, collectively, their own employer, the capitalist class opposition disappears. One group or community replaces two. Absent a class-divided economic system, efforts to bring real democracy to a society’s economy and politics could anticipate success.

Socialist self-criticism can enable a solution to real democracy’s absence by advocating for a transition from an employer/employee-based economic system to one based on workers' self-directed enterprises (or “worker coops” in common language). The incomplete socialisms constructed in the 20th century need to be upgraded by making that transition. That would get those socialisms nearer to completion, nearer to real democracy, and further from capitalist systems whose undying commitment to the employer-employee relationship precludes them from ever getting closer to real democracy.