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A non-market ecosocialist exit from capitalism

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Abstract

A 'no-money' strategy distinguishes non-market ecosocialists, who advocate for delinking from capitalism by producing and exchanging without use of money. This paper argues that any monetary economy — where money is a universal equivalent, a measure and means of exchange, means of delayed payment and store of value — is inclined to capitalism. Clearly, a no-money position is a necessary but insufficient condition for creating sustainable and fair social relations and collective sufficiency within Earth's limits. However, given that monetary values (prices) largely conflict, rather than align, with social and environmental values, this strategy combines 'where we are going' with 'how we get there'. This pathway focuses on use rights and use values, building collectively sufficient local communities directly governing production and exchange. These communities network with neighbouring through to global communities to collaboratively manage joint resources for global solidarity and cultural activities. Many anti-capitalist movements already moving in these directions have little sense of money as a barrier, emphasising community control of it rather than avoidance. Therefore, this paper outlines how monetary practices reproduce social relations and politics central to capitalism, and block the necessary transformation to production and exchange based on social and environmental values.

As the fundamental unit and building block of contemporary economics, money seems theoretically pre-analytic, almost beyond question. Not surprisingly, economic theories of money are weak and thin on the ground. Economic anthropologists and sociologists have paid more attention to money but fall prey to seeking its emergence in simple and limited media of exchange in non-capitalist economies or in debt more generally (Graeber 2011). It suffices here to argue that the function of money as a unit of account is more decisive for its definition than its role as a means of purchase.

The key challenge today is that global production requires restraint not only due to runaway carbon emissions but also to environmental crises more generally. We need to be making decisions based on use values directly. Social and environmental values are complex and cannot be reduced to a simple

index or measure as in money and prices. Such points were made by Marx, as briefly explored here — associated issues are raised elsewhere (Nelson forthcoming, 2016, 2015; Nelson and Timmerman 2011) — but are not at the forefront of leftist, anti-capitalist, resistance or progress today.

However, non-market ecosocialists argue that we must decisively turn our backs on the monetary dynamics of capitalism (Rubel and Crump 1987); the only way to assert social and environmental values is to dispense with money as quickly as possible and work towards a society based on direct democracy producing and exchanging to meet the basic needs of both humans and Earth (Nelson and Timmerman 2011). This position assumes that any monetary economy — where money is a ‘universal equivalent’, a measure and means of exchange, means of delayed payment and apparent store of value — is inclined to capitalism. Given that profit imperative is associated with uncertainties around input and output prices, especially future prices, growth is not optional but rather implicit in the ordinary, everyday running of capitalism (Nelson 2016). Monetary practices reproduce capitalist social relations and politics and block transformation to production and exchange based on social and environmental values. The argument is that money substitutes for grassroots democratic decision-making in planning production, exchange and real futures, and we need to assert direct power over our lives. Such a non-monetary strategy offers a major platform to unite anti-capitalists within their diversity, clearly differentiating us from capitalist forces and logic, and supporting the liberation and sharing of human abilities, efforts and works. Given that monetary values (prices) largely conflict rather than align with social and environmental values, this strategy combines ‘where we are going’ with ‘how we get there’.

Money is a Social Relationship

Following a previous draft in *A Contribution to the Critique of Political Economy*, Karl Marx starts *Capital I* by examining the cell of capitalism, the commodity, which is simultaneously a ‘use value’ and an ‘exchange value’. Qualitative use values can, for instance, be weighed in kilograms and measured in centimetres for comparison, but commodities are brought into a quantitative market relationship with one another via their exchange value, their price, with money (a very particular variable kind of measure) as the ‘common denominator’. The immediate relationship is between the first and second owners of the commodities, but the term on which they exchange (price) is conditioned by broader market exchange(rs). Marx unpacks the critical contrast between their use values, and the dominant “quantitative relation,” their exchange value (Marx 1970, 28).

Marx considered that this introduction would ‘present the greatest difficulty’ to readers because money had been an unfathomable concept for longer than two millennia and because ‘the commodity-form of the product of labour’ and ‘value-form of the commodity’ took the ‘money-form’ (Marx 1976, 89–90). Louis Althusser (1971, 79–80, 85–86) later counselled worker-readers to skip Marx’s first couple of chapters. I regard this the worst possible advice and instead suggest dwelling on them. As Autonomist Marxist Harry Cleaver (1979, 2017) and John Holloway (2013) ably show, these chapters provide the building blocks for a revolutionary analysis of contemporary capitalism.

The first part of *Capital* introduces Marx’s focus and the essence of his analytic approach, which he believed of great strategic significance. In the process of producing for trade and working specifically for money, work becomes ‘*abstract general labour*’ (italics, original: Marx 1970, 29). In production for trade managers and consumers alike are submitted to the marketplace discipline of money. The market obliterates that human agency that produced the commodity; objectifies socially necessary labour-time as value per se; and, through price, defines the commodity in terms of its social wealth, thereby eliminating any sense of the use value either of the commodity or the labour that created it.

Given that price and monetary relationships are wholly socially constituted, in one stroke we see why capitalists do not appreciate environmental values and why they never will. We see that alienation is implicit in production for trade; in capitalism heightened individuality means powerlessness.

Monetary value is the hub of market dynamics, dominating personal and social decision-making over production and exchange, distracting and subverting value associated with the needs of humans and Earth. Marx's analysis heightens the absurdity of contemporary efforts to try to make prices reflect environmental values, as in carbon and water trading schemes or pricing environmental 'assets' such as forests. Calculating and trying to institute wages for housework is pointless and speaking of 'social capital', 'human capital' and 'natural capital' is simply ironic. In my opinion, difficult as it might be to grasp, this painstaking ethnography at the start of *Capital I* is Marx at his finest.

Marx reveals the absurdity of market values, shows how completely distinct production for the market is from a genuine effort to meet basic human needs, and iterates use values as the roots, the ground of, exchange values — in contrast to their fetishisation in the market, in prices. Rather than ignore nature, Marx pre-empted current analyses by 150 years, showing that market players ignore and degrade the natural environment. Marx's (1976, 173) political conclusion was that:

The religious reflections of the real world can... vanish only when the practical relations of everyday life between man and man, and man and nature, generally present themselves to him in a transparent and natural form. The veil is not removed... until it becomes production between freely associated men, and stands under their conscious and planned control.

Careful readings of Marx clearly show that money, not just capital, is a barrier to instituting and maintaining socialism. Non-market socialists are accused — especially by other socialists — of being 'utopian'. Yet Marx opposed those reformers who thought that they could simply redefine money, issue it on different terms, regulate it in different ways, or give goods and services prices before they reached the market which, he showed was impossible, a contradiction in terms (Marx 1970, 76–86). He called *them* 'utopian socialists' because they underestimated money, which he saw as the 'ultimate product of commodity circulation' and simultaneously 'the first form of appearance of capital' (Marx 1976, 247). He especially criticised utopian socialist Proudhon for not appreciating that capitalism had evolved from money as a chicken did from an egg. Proudhon thought the social system could be altered by monetary and price reform. Marx retorted that democratisation of credit was impossible because money, credit and debt were tools of exploitation and control, and thus couldn't be recalibrated towards democratic purposes just like a gun cannot be used to make love.

Money in Practical Socialist Transformations

I describe in more detail elsewhere how, in the early years of Cuban communist and Soviet power, party elites seriously discussed instituting a moneyless economy (Nelson 2011, 32–44). Many Russian leaders, such as Trotsky and Stalin, expected money would disappear as communism developed (Bettelheim 1975, 39; Rosdolsky 1977, 130). However, they kept monetary accounting. The debate on replacing a monetary unit of account with one based on labour, in terms of time or energy used, occupied an enormous volume of literature in 1920 and 1921, and was influenced by the work of Austrian economist Otto Neurath. However, any advance to a moneyless communism halted when state industries were directed to follow principles of precise economic accounting, including demanding money for taxes and state-produced goods and services. This renewed dependence on cash, not just money as a unit of account, allowed production for trade and profits. While Lenin (1973, 184–

185) acknowledged that this would ‘inevitably lead to... a revival of capitalist wage-slavery’, he referred to the New Economic Policy as merely ‘retreating in order to make better preparations for a new offensive against capitalism’. But his tactical retreat became entrenched as permanent practice.

A great economic debate also occurred in Cuba, in the mid-1960s, partly around whether or how to diminish the role of money. In Cuba, Che Guevara followed Marx’s position that ‘value’ relates directly to abstract labour not to wants or available resources. Guevara decided that administered prices involving state sectors were not market prices, therefore the law of value did not apply; planning should not mimic market forces — planners should consciously take non-economic factors into account, thus undermining the law of value. Belgian economist Ernest Mandel supported Guevara’s position. Guevara believed that socialism was the negation of money and commercial relations, but lost the debate with presidential comrade Fidel Castro, who agreed with abolishing money some time in the future but not immediately. While Bettelheim (1975) supported Castro in the debate, he argued that Soviet communism was state capitalism due to monetary economic calculation.

Non-market socialists conclude that maintaining money facilitates management by an elite and inequity in remuneration as well as failing to address serious, inevitable and irreconcilable disconnects between price signals and use of nature to advance environmental sustainability. Yet the questionable approach followed in Cuba and Russia is mimicked in the recent history of the Catalan Integral Cooperative (CIC), which I select to critique specifically because I regard it highly, as one of the most advanced and impressive current experiments in the Global North.

CIC anti-capitalist Eric Duran—underground since early 2013 but heavily active in the cooperative—argued in a March 2014 interview (Gorenflo et al. 2014) that CIC’s intent has been ‘to generate a self-managed free society outside law, State control, and the rules of the capitalist market’. However, the ‘eco’ currency developed by the group reproduces market characteristics such as ‘freely assigned’ prices. Simultaneously, Duran advanced that:

The technology behind the blockchain, on top of the concept of a decentralized P2P [peer-to-peer] currency, represents a great leap forward on the road to decentralization of power, and we think it holds the power to make the current banking and financial systems obsolete...

With this in mind, Bitcoin, Litecoin and Freicoin are accepted currencies in the CIC for the payment of various common services. In time, we may understand the possibilities technology has given us to create our own cryptocurrency, which will incorporate the features we feel are essential for any community currency...

Based in this process, we could say that the integral cooperative promotes an economy “with” a market, but it’s not a “market economy.” Within our movement, economic activity is subordinated to political process, or, put another way, the assembly takes precedence over the market.

While the decentralised and horizontal CIC assembly structure in Catalan is a distinct and decisive advance on Cuban and Russian political structures, the key warning non-market socialists would make is that use of money threatens to create a competing, or centralising, power base within the complex structure of assembly decisions and that really direct decision-making over what to produce, how to produce and for whom obviates needs for currency, a unit of account or credit. Where engagement is necessary with the mainstream economy in the transition, this is probably best approached using some version of a ‘common purse,’ as CIC appears to do regarding education and health.

Occupy the world

Acknowledging money as a tool of power and the organising principle of capitalism leads to the conclusion that the most successful non-violent revolutionary strategies to undermine capitalism are to take over production and trade by instituting direct democracy in money-free ways. Such strategies sidestep, challenge and oppose capitalism on its failure to recognise, respect and fulfil basic human and Earth needs and, conversely, must offer constructive models to achieve this vision. Elsewhere I have argued that the concept of ‘green materialism’ shows how anti-capitalist movements today correspond to Marx’s ‘new materialism’ as elaborated in 1845 in his *Theses on Feuerbach* (2002) and how defining characteristics of anti-capitalist currents offer the bases for replacing the organising principle of our society, money, by direct democracy. Ecosocialists, for instance, redefine the contemporary conjuncture and potential, and break with parliamentary democratic politics to adopt a holistic field of action against the state and the market (Löwy 2015). Their direction runs parallel with Thesis 10 in *Theses on Feuerbach* (Marx 2002): ‘The standpoint of the old materialism is civil society; the standpoint of the new is human society or social humanity.’ Ecosocialism aims to replace individualistic, bourgeois society with a collective and creative sense of humanity.

Argentinian Ezequiel Adamovsky (2011, 89–124) distinguishes current anti-capitalism from the traditional left because of its focus on ten ways of operating:

1. Anti-power, counter-power; “disempowering” the state (rather than taking it over)
2. Autonomously; “the expansion of *power-to* undermines *power-over*”
3. With presence: “Each time they create self-managed, non-commercial, and egalitarian spaces, the revolution is taking place”
4. Using horizontalist structures, non-hierarchical assembly-based organisations sharing knowledge and skills
5. In de-centred ways; in constantly re-negotiated voluntary and flexible networks
6. Integrating a multitude of types of people and liberationist causes
7. Strategically responding to specifics; learning through listening rather than laying down a general program and propagating a line
8. In local-global—rather than national, state-focused—struggles against capitalism
9. Using direct action and civil disobedience; being the point/power
10. Developing a constructive, creative culture *vs* an intransigent them–us culture.

Viewing these 10 descriptors, three points stand out. First, anti-capitalist movements have a characteristic unity of purpose and organisation. Second, their common characteristics are incredibly ecological in both manifestation and cohesion; they reflect an ecologist’s holistic perception of the way the natural world functions through interlocking, self-sufficient and dynamic, antagonistic yet balancing aspects. Third, this evolution of left activism is remarkably close to Marx’s radical view of what it means to be really human; Marx’s ‘new materialism’ has scientists and activists without capitalist blinkers or religious distortions acting in humbly responsible ways for their collective being, continuously re-aligning thinking with changes in their politico-environmental realities.

A Non-Market Ecosocialist Vision

By placing monetary values on nature as property, on effort as work and on things as commodities, we re-framed the world and re-prioritised its contents. Capitalism forces us to subjugate social and

environmental values (use values) to abstract, magical—even godly—monetary values (Nelson 1999). Socio-economic inequality is intricately bound to the monetary dynamic of more and less. Similarly, the values necessary to account for ecological sustainability are eliminated, dominated or mangled in a world where monetary values, prices and profits rule. Thus, today we have to address two crises of capitalism. The first requires us to fulfil everyone's basic needs rather than continue living in an unequal world of overconsumption and starvation. The second demands that we take account of the regenerative limits and ecological needs of the earth.

Marx was averse to elaborating how socialism might operate. Direct people power means that details would be popularly determined as a work in progress rather than people simply signing up to some pre-determined vision. Yet such decision-making needs to begin in participatory discourse involving both strategic and endgame considerations. Today the urgency of environmental deterioration of Earth and heightened economic, social and political crises means that anti-capitalists ought to be hotly debating where we are going and how activist campaigns fit with our plan to get there.

The following non-market ecosocialist vision follows Adamovsky (2011, 89–124). Imagine a global network of collectively sufficient, cell-like communities each responsible for the sustainability of the local environments they live off. Imagine each diverse community empowered, relatively autonomous, present, organised horizontally internally, networked in seamless ways locally and globally, caring for Earth. Collectively satisfying everyone's basic needs, we would be fulfilling our real human potential as creative, active beings. In short, the defining characteristics of anti-capitalist currents offer the democratic and materialist bases for replacing money as the organising principle of society.

This simple vision of cell-like communities of variable ecologically determined sizes assumes that the most direct and efficient form production is conducted as close as is feasible to end-use(rs). Such production focuses on people's basic needs so future distribution is decided simultaneously with collectively agreeing on productive goals and ways of achieving them. Say, each person contributes X hours per week to collective production and, in return, has their basic needs met. Each household guesstimates their basic needs, say annually, while working groups report on the capacity of the local area and capability of locals to fulfil various needs. Once this system is established, planning mainly relies on updating previous calculations and taking account of seasonal, natural factors. There is similar communication and negotiation on goods and services that rely on production in neighbouring or more distant communities. Essentially the plan for production is collectively formed, building in avenues for end-point distribution; we are producing corn, apples, solar electricity, potable water and towels for particular, already identified householders. This model is already practised, to a significant extent, by the Twin Oaks community in Virginia (US) (Nelson 2016).

This is not barter but rather a non-equivalent exchange or, better, social 'compact'. Decision-making focuses on biophysical, environmental and social measures and values as with non-monetary peasant and remnant contemporary household production and consumption. Complex biophysical and social efficiency is paramount to limiting material, energy and human outlays in production and associated exchanges. Just as certain groups of Indigenous forest dwellers have had customs for living off their territory in a sustainable manner, non-market ecosocialist settlements would use commoning and sharing to reproduce their needs, living off and replenishing their local environs. Money has no place where grassroots political decision-making replaces production for trade and market exchanges.

Non-market socialists argue that moving beyond money is a fundamental, first and final step of socialist transformation (Rubel and Crump 1987; Nelson and Timmerman 2011). Significant socialist

practices, such as non-monetary commoning in production and non-market sharing in exchange, must simultaneously drive socialist transformation and be the end point of socialist revolution. In short, revolutionary practices must substitute the decision-making role of money and market by direct control of planning, production and exchange by all the people—or it will not be socialism at all.

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