Bruce McFarlane

THEORIES AND PRACTICES OF WORKERS’ CONTROL

A lecturer at ANU reviews some of the attitudes to and experiences of workers' control in a paper given to the Sydney Workers' Control Conference held last August.

WORKERS' CONTROL and “self-management” are being discussed widely today in both capitalist countries and in Eastern Europe. Whereas pre-war controversies were on a purely theoretical level, the modern discussion has also been influenced by practical experience with factory control in Yugoslavia (1952-1969), Algeria (1963-1965), Cuba (1964-1968) and China (1967-1969).

It may be useful to define workers' control and self-management differently; although the two things tend to be regarded as one and the same thing in socialist countries, this is not necessarily the case in capitalist societies. Self-management may be regarded as the management of affairs of various institutions by their lower echelons. Hence we get student power, nurses’ power, journalists’ power. Workers’ control involves self-management of factories by the working class, coupled with a working class ideology involving opposition to bureaucracy and to “incomes policies” imposed by capitalists, the State or the Party-state. (In Yugoslavia, for example, they have self-management of factories, but not workers’ control in the full sense; they have plant democracy but not full political control by workers’ delegates over national issues; they have workers’ councils in every enterprise, but not yet a parliament of workers’ councils’ deputies.)

Workers’ control is being discussed today for a definite reason. It is an aspect of a proletarian culture which confronts the hegemony of bourgeois culture. It is, at the same time, a bastion against the tendency of industrial society to produce a hierarchy of scientists, administrators and controllers.

Why is the notion of a working class culture important in relation to the movement for workers’ control? One reason was given by the French Marxist writer Georges Sorel: “the successes obtained by politicians in their attempts to make what they call the proletarian influence felt in middle class organisations, constitutes a very great obstacle to the notion of class war.” Sorel goes

---

on to argue that the working class movement must be very careful of politicians, administrators and intellectuals who come forward as allies in the revolutionary or syndicalist movement. He points out that their culture is necessarily not the producer-ethic which confronts the competitive, consumer ethic of the bourgeoisie. Such elements, in his view, are bound to destroy a successful revolutionary movement or to take control of a successful revolution. The ongoing revolution requires a massive proletarian culture if it is to survive.

Today, in the industrial societies of capitalism and State capitalism (and including the “workers” states of Eastern Europe), workers’ control is the main aim of those who uphold the producer ethic and proletarian culture as a way of living: co-operation rather than competition, productive creativity rather than exploitation of other humans. The highest peak of this ethic is the general strike — O’Shea (1969), Hungary (1956) and Czechoslovakia (1968) illustrate this clearly.

For socialist intellectuals — marxists — workers’ control has always been of central interest because in their view socialism can only develop as a radical critique of its dialectical opposite — capitalist or bureaucratic control. The most radical thinkers here are G. Sorel and the anarchist school who also hold that workers’ control involves a struggle with trade unionism — that trade unions are the enemy of proletarian praxis and activity, and of the free development of working class creativity. They concluded that organised trade unions have, historically, smashed syndicalism and workers’ control — that they are “bourgeois” organisations moulded in the image of bourgeois society.

After 1890, the idea of workers’ control and self-management became associated with the theory of socialism. Many revolutionaries saw socialism as a collective organisation of economic life, based on mass organisations of a sectional and functional kind, the members of which could therefore participate in the shaping of concrete decisions, concerning the management of economic questions: Socialism was not perceived by them as a system in which mass organisations merely serve to support authoritarian decisions made by governments.

Thus, in the scheme of Austrian revolutionary Hertzka², there was to be workers’ control of factories, while a number of co-equal functional councils, all popularly elected, would administer social and economic affairs. Such a scheme has much in common with Yugoslav experiments after 1952³.

The first exercise of workers' control in the full sense was the Paris Commune of 1871. It was not under the "leadership" of Marxists, but of two other labor parties, although both Marx and Lenin saw in it the embryo of a future proletarian state. The main features of government under the Paris Commune were

- Occupation of all factories and enterprises and their management by elected councils of workers;
- Control of the state by elected deputies, all of whom were subject to rotation and recall;
- Abolition of the army and the arming of the people;
- Abolition of the bureaucracy and the cutting of the salaries of all officials to the average wage.

The Paris Commune failed, however, to fully smash the bourgeois state. In the event it was drowned in blood by the combined forces of West European reaction. In 1918, Soviet Republics, established in Hungary and Bavaria met a similar fate.

Lenin, in April 1917, in his celebrated April Theses advocated a Soviet State modelled on the Paris Commune — a state of no army or bureaucracy separated from the people, political organs made up of elected delegates subject to rotation and recall.

In November 1917 the Russian Railwaymen's Union, Vikzhel, took over the administration of the railways on its own account and acted as an independent power; in short it played the role of a mammoth factory committee exercising workers' control, and recognising no interference from central political authority. However, this event was short lived, and a decree of 26 March 1918 gave to the Peoples' Commissar for Communication dictatorial powers in matters relating to railway transport. Draft statutes on workers' control were, however, drawn up by Lenin on 9 November 1917, within a day or two of the revolutionary uprising. They read as follows:

1. Workers' control over the production, storage, purchase and sale of all products and raw materials shall be introduced in all industrial, commercial, banking, agricultural and other enterprises employing not less than five workers and office employees (together) or with an annual turnover of not less than 10,000 rubles.

2 Workers' control shall be exercised by all the workers and office employees of an enterprise, either directly, if the enterprise is small enough to permit it, or through their elected representatives, who shall be elected immediately at general meetings, at which minutes of the elections shall be taken and the names of those elected communicated to the government and to the local Soviets of Workers', Soldiers' and Peasants' Deputies.

3 Unless permission is given by the elected representatives of the workers and office employees, the suspension of work of an enterprise or an industrial establishment of state importance (see Clause 7), or any change in its operation is strictly prohibited.

4 The elected representatives shall be given access to all books and documents and to all warehouses and stocks of materials, instruments and products, without exception.

5 The decisions of the elected representatives of the workers and office employees are binding upon the owners of enterprises and may be annulled only by the trade unions and their congresses.

6 In all enterprises of state importance all owners and all representatives of the workers and office employees elected for the purpose of exercising workers' control shall be answerable to the state for the maintenance of the strictest order and discipline and for the protection of property. Persons guilty of dereliction of duty, concealment of stocks, accounts etc., shall be punished by the confiscation of the whole of their property and by imprisonment for a term of up to five years.

7 By enterprises of state importance are meant all enterprises working for defence, or in any way connected with the manufacture of articles necessary for the existence of the masses of the population.

8 More detailed rules on workers control shall be drawn up by the local Soviets of Workers' Deputies and by conferences of factory committees, and also by committees of office employees at general meetings of their representatives.

However, the organised centralism made necessary by "War Communism" and its aftermath overtook Lenin's experimental ideas. Later in his Notes on Bukharin's Economics of the Transition Period, Lenin noted that workers' control was only possible if combined with a policy of levelling incomes and strong consolidation of the working class as the ruling class in all the cells of society's economic system. In the 1920 controversy over the role of trade unions Lenin argued that "ours is not actually a workers' state . . . But that is not all. Our party programme shows that ours is a workers' state with bureaucratic distortions."

The Soviet Union was, for Lenin, by 1922 a bureaucratic state, unable to bring about such a levelling of incomes. At the March 1922 Party Congress Lenin noted:

What we lack is clear enough. The ruling stratum of the communists is lacking in proletarian culture. Let us look at Moscow. This mass of bureaucrats — who


is leading whom? The 4,700 responsible communists, or the other way round? I do not believe you can honestly say the communists are leading this mass. To put it honestly, they are not the leaders but the led.\textsuperscript{10}

Later, at the end of 1922, Lenin described the State apparatus as “borrowed from Tsarism and hardly touched by the Soviet world . . . a bourgeois and Tsarist mechanism.”\textsuperscript{11} Under these conditions, Lenin’s ideas about workers’ control could not get off the ground.

In the first months following the Soviet October Revolution of 1917, then, various forms of self-management were established in the factories of St. Petersburg and Moscow, but they were replaced, under the stress of civil war, by a system of administration featured by increasing powers of State-appointed directors and a near-militarisation of labor. By 1919 the various “workers’ opposition” groups within the Bolshevik Party had posed the need, for a return of workers’ control, but the civil war precluded the success of such a re-introduction. With the “New Economic Policy” of 1921, the demand was raised anew for the re-introduction of workers’ control in factories as a method of checking the power of the growing bureaucratic strata in the Soviet economy. By 1931, however, the Soviet Government, headed by J. V. Stalin, had removed the last remnants of workers’ participation in actual management and had made the State-appointed director the supreme authority in all enterprises, subject only to higher State bodies and unhampered by any control from below.

In the decades that followed the Soviet State and economy was constructed on the basis of a highly centralised system of planning and economic administration. The role of workers was restricted to simply advising how best to increase production and reduce waste. The need of the Soviet State, in 1921, to “call back” the bureaucracy to run the factories and state organs (made necessary by the physical destruction of working class militants in the Civil War) has left a “hangover” in the USSR that is yet to be fully combated. This consists of the tendency of any bureaucracy to protect its power and its privileges, both of which are threatened by workers’ control in the factories and self-management of social affairs. While rank and file members of the Communist Party have operated on the same basis as ordinary citizens, this is not the case with elements at the top of the State organs who have a superior access to imported goods, quality housing and foreign travel.

\textsuperscript{10} Quoted by C. Harman in International Socialism, No. 30, Autumn 1967, p. 11.
\textsuperscript{11} Quoted in Max Schachtman, The Struggle For The New Course, N.Y. 1943, p. 150.
In 1963, Khrushchev indicated during his tour of Yugoslavia that the USSR could learn from some aspects (not all) of the workers' council system in that country\textsuperscript{12}. But little has been heard of this idea since: what economic “democracy” has been practised has been in the direction of increased authority and autonomy of managers of enterprises in their relations with State organs.

In the process of finding their own “road” to socialism after 1950 Yugoslav leaders constructed a new system based on markets, decentralised administration and workers' management. This system has had profound effects on socialist thought and practice in the last two decades. Moreover, Yugoslavia experiments have had considerable influence in the underdeveloped world, where leaders are not keen on a maximum rate of investment and are looking for ways of finding mass enthusiasm for economic policies.

It was in Algeria that workers' self-management became a crucial plank of official policy. Throughout their struggle for independence, which was achieved in July, 1962, the Algerian leaders had maintained close links with Yugoslavia — which had been the first Socialist country to support their Revolution and had given substantial economic and military aid. Yugoslavia had immense prestige in post-Independent Algeria. It was not unnatural that Algerians should look closely at self-management of the Yugoslav variety.

In effect Algeria had no real Government for four months after Independence. It was only in October 1962 that the first Ben Bella government was formed. In those four months the people themselves in many places took the initiative and operated the farms and factories abandoned by their European owners. They began to spontaneously form “management committees” in a number of places to manage these farms. Over two million acres of the best land had been abandoned. The first act of the Ben Bella Government after its formation was to launch a harvest campaign. The abandoned land and factories were declared “Biens Vacants” (abandoned property) and all transactions in them banned. Decrees published on 22 October and the 23 November 1962 set up “Management Committees” on all abandoned property “only recognising a state of affairs that the working masses in their patriotic and revolutionary spirit had created throughout the country.”

When the harvesting campaign had proved a success and famine no longer threatened, the Ben Bella government had to decide the future of the abandoned farms and factories. When the original owners failed to return by March 1963 the Government

promulgated a series of decrees in March 1963 taking over the abandoned farms and factories in the name of the State and entrusting managerial power to elected "Management Committees". Nearly two and a half million acres of the best farmland was thus placed under self-management as well as some 400 industrial enterprises.

The Algerian experience attempted "autogestion" on a grand scale — grander in many ways than the Yugoslav experience. It threw up interesting economic discussions about the desirable institutional structure of a developing economy and the way this is linked to economic policy.

III

In Western capitalist societies, perspectives about workers' control are quite different from the theory and practice in socialist states. The biggest movement was the demand in Britain for workers' control in the railway, coalmining and engineering industries during 1910-1922. Syndicalists and guild socialists were prominent in these struggles. The Trade Union Congress in Britain also supported for a time demands for workers' participation. The British Labor Party, although not very enthusiastic about these ideas, was forced to include in its 1918 Program "steadily increasing participation of the workers in the control of the railway and mining industries", once these were transferred to public ownership. After 1920, the TUC and the Labor Party lost interest, especially after the defeats at experiments with workers' control in the building industries and in engineering firms, brought on by the combined force of the Government and the employers.13

After 1922 the unions were in full retreat in Britain. With heavy unemployment, unions had to fight purely defensive battles, merely to preserve the improvements in working conditions they had achieved between 1913 and 1922. Under these conditions the demands for nationalisation and workers' control were dropped, although the idea of workers' control persisted in Labor ranks under the illusion that a Labor Government was the essential prerequisite to the realisation of this ideal.

After 1964, a grass-roots movement for workers' control of the docks and the steel industry gained momentum in Britain. A number of conferences were held at Hull and Sheffield in which "counter-plans" for the control of these industries were drawn up and endorsed.14 The Prime-Minister Mr. Wilson in a reply to a

14 See A. Topham and K. Coates, Workers' Control.
letter from Hull Conference noted that "workers' participation" was part of Labor policy, but this did not include "workers' control of the Yugoslav kind."

IV

For any social revolution to effectively challenge the capitalist economic power structure, there will have to be an imperative rooted in conflict between technical and economic change and the control over these by the existing institutional structure. Also important is the subjective will to bring about change — the moral drive for socialism. One imperative is the appearance of the "triple revolution" at the very time a small oligarchy has taken control of Australian society. As the impact of the triple revolution unfolds, many people may come to understand the implications of what a "one-dimensional" society is really like. The aim of the New Left is to bring about by educational agitation, demonstrations and other challenges to bureaucratic power, a public awareness of the need to begin the process of self-management of our affairs, because this will be the only way to use the triple revolution for social purposes that are democratically devised.

What do Australian Left writers mean by the "triple revolution"? Basically, it is the simultaneous impact of automation, cybernetics and eugenics. The first element is the upheaval in production due to automation. Automation — the use of machines as controllers of the process of production — is already well developed in the USA, UK and USSR. It is qualitatively greater in its impact than the previous kind of technical change which was brought about through mechanisation. Unlike mechanisation, automation would make a big reduction in the demand for labor, particularly if introduced on a wide front. This would include a fall in demand for white-collar labor, since one of the most important trends is towards low-cost automation of small and medium-scale offices and factories not merely of large ones. As one engineer has put it, "low cost automation heralds a big movement in this direction, giving the ordinary small engineering shop the opportunity for flexible cheap automatic production . . . all these machines do automatically what was previously done by human hands and minds."\(^\text{15}\)

In other words, automation does not affect merely the large mass-production plant. It affects, just as much, the ordinary small engineering shop, and therefore, the white-coated machine minder and the office worker as well.

We can no longer think of the "offsetting "effects — extra employment — of higher productivity of the economy. The pro-

ductivity will not come in the form of *more production from more employment*, but in the form of *higher real product per man hour with a reduced labor force*. Automation replaces workers because machines can be made to exhibit *intelligence* — to set up goals, make plans, consider hypotheses and recognise analogies. This is a completely new threat to the use of humans as factors of production. It is quite definite, as scientists have pointed out, that "a computer can control industrial processes . . . in fact industrial engineers can now devise processes so intricate that it would be difficult, if not impossible to control them with human workers."\(^{16}\)

These tendencies will be re-inforced by the second aspect of the triple revolution — *cybernetics*. It was not for nothing that the founder of the theory of cybernetics, Norbert Wiener, described it as the "science of control". Cybernetics studies systems of elements interacting on one another — it has established that the behaviour of a system depends not only on the way in which its elements operate, but also on the way in which the elements of the system are "coupled" to one another. This is a revolution in communication and knowledge, and its widest application in industry and technology has been to produce self-governing machines and devices — machines which repair themselves and other machines; machines which are self-regulating; machines which need no human beings.

*Eugenics* is the development of the science of population control. It has been greatly influenced by cybernetic theory, as well as other experiments (such as the experiments of injecting a foetus with chemicals to counter certain tendencies such as homosexuality). Population control, nightmare of Aldous Huxley, is already within the reach of any ruthless dictatorship. How far off is the full impact of the triple revolution? Probably not more than 30 to 50 years. It is no longer in the category of space fiction. Few scientists will regard it as "fantastic", or disagree that our present generation may have the last opportunity to change society before a system akin to Brave New World is established.

The implications for any "leftist" are quite clear: the triple revolution cannot be left to the Establishment to introduce and control. Automation and cybernetics on a wide front cannot be combated by strikes. They will provide the Establishment with unheard-of and irrevocable power, unless self-management of production and planning is understood now, practised now, in preparation for bringing the triple revolution under social control.

The New Left seeks mass direct action against the Establishments — big and small, in order to give people experience in self-

confidence. It does this because it seeks to ensure the non-bureaucratic character of post-capitalist society. It holds that the infallible road to totalitarianism is Fabian tinkering and ALP-type “socialism by stealth” which excludes the mass of the people from control. A major task of the New Left, then, is to shift the whole focus of the debate about social change.

In Australia, we are still at the stage of arguing about the technicalities of economic management and the improvement of our bourgeois political system. But these were issues of the 1930’s too—a period of excitement in which the proposals advanced may be regarded in retrospect as the left wing of normal progress rather than the right wing of revolutionary change. For the long-term future, the criteria for reform needs to be more “revolutionary” than this, in the sense that they cannot be granted in the present conditions of the economic system. More particularly, the areas chosen for long-run reform need to be somehow linked to a new burst of idealism and enthusiasm for really “brave new worlds”. They ought to go beyond mere “economism”, material demands and class interests.

The first sphere of activity is to reduce the social dominance and economic power of the controllers of big business. The second might be to cut down the role of the state and its intrusion into the individual’s areas of action. The third should widen the scope for self-management in economic and social life—in the work place, in local government, in intermediate planning bodies of all kinds. Even today these demands are “revolutionary”—each challenges a power-point of the capitalist system.

A number of basic dilemmas arise, however, in putting forward programs of workers’ control and self-management at this point of time and within the framework of a capitalist society. We would be wise to spell them out as bluntly and brutally as possible.

1 Any genuine demand for workers’ control in a capitalist factory must require the opening of all books and financial accounts in order to test whether extra costs of safety, higher wages, etc., really “threaten” investments and markets. You cannot divorce workers’ control over union organisation, dismissals, speed-ups, etc., from control over business affairs. Workers’ control cannot stop at the level of “strengthening shop-steward committees” and policing of production technique and work discipline. It soon escalates into a more militant threat to control over the enterprise. Militants should always encourage this escalation, especially when met with “no capacity to pay” arguments.

2 There tends to be a clash between syndicalists and others who propagate workers’ control as a revolutionary objective and the
reality of modern trade union structures and attitudes. Unions embrace a large number of non-revolutionary workers and even the most militant are forced to dilute revolutionary objectives they might otherwise uphold. Worker control advocates are then faced either by reformist unions which are purely defensive, or revolutionary union leaders who are ineffective in this direction in the current phase of capitalist development.

3 Workers' control presumes workers' control within unions. Union officials cannot advocate this concept for society unless they practise it themselves. Such workers' control of unions would probably involve the right to recall officials, to impose average wages on officials, to make all strikes automatically "official" and to automatically reject all forms of "income policy" at the industry or national level.

4 All social-engineering blueprints about planning, nationalisation, workers' control, etc., under capitalism tend to fail, not because political strategists and social-enginers cannot draw, but because the rules and perspective they are forced to adopt are distilled from the very structure they wish to do away with, and the application of such blueprints, even if possible, tends to reinforce that structure. This is the danger of ready-made schemes for coparticipation or even workers' control of the docks, etc., which are made within the basic rules of the game of capitalism. Workers' control under these conditions will be unable to fight effectively. Eventually, they can be transformed into productivity agreements and other compromises: into instruments for disciplining the workers.

5 Any really socialist concept of workers' control of production has a definite relationship to workers' power or control of the state — under both capitalism and socialism. All programs which ignore the existence of these relationships, and just assume that workers' control is possible in capitalist production will be likely to succumb to bourgeois pressures. This means that any conference or movement promoting workers' control must carefully study:

- the contemporary role of the union bureaucracies;
- the role of the state in a system of neo-capitalism and state monopoly capitalism;
- the compatibility of reformism and revolution.

It would be wise to incorporate the results of such analysis into any program of workers' control.