

Contributions to Public Administration
and Public Policy

Tony Kinder

Marx and Public Services

Theory, Policy, and Practice

 Springer

Contributions to Public Administration and Public Policy

The series Contributions to Public Administration and Public Policy contains publications in all areas of public administration and public policy, such as governance, public finance, public management, organization theory, institutional theory, administrative theory and practice, ethics and others. Publications are primarily monographs and multiple author works containing new research results, but conference and congress reports are also considered. The series covers both theoretical and empirical aspects and is addressed to researchers and policy makers.

Tony Kinder

Marx and Public Services

Theory, Policy, and Practice

Tony Kinder
Tampere, Finland

ISSN 2731-9385 ISSN 2731-9393 (electronic)
Contributions to Public Administration and Public Policy
ISBN 978-3-031-81139-5 ISBN 978-3-031-81140-1 (eBook)
<https://doi.org/10.1007/978-3-031-81140-1>

© The Editor(s) (if applicable) and The Author(s), under exclusive license to Springer Nature Switzerland AG 2025

This work is subject to copyright. All rights are solely and exclusively licensed by the Publisher, whether the whole or part of the material is concerned, specifically the rights of translation, reprinting, reuse of illustrations, recitation, broadcasting, reproduction on microfilms or in any other physical way, and transmission or information storage and retrieval, electronic adaptation, computer software, or by similar or dissimilar methodology now known or hereafter developed.

The use of general descriptive names, registered names, trademarks, service marks, etc. in this publication does not imply, even in the absence of a specific statement, that such names are exempt from the relevant protective laws and regulations and therefore free for general use.

The publisher, the authors and the editors are safe to assume that the advice and information in this book are believed to be true and accurate at the date of publication. Neither the publisher nor the authors or the editors give a warranty, expressed or implied, with respect to the material contained herein or for any errors or omissions that may have been made. The publisher remains neutral with regard to jurisdictional claims in published maps and institutional affiliations.

This Springer imprint is published by the registered company Springer Nature Switzerland AG
The registered company address is: Gewerbestrasse 11, 6330 Cham, Switzerland

If disposing of this product, please recycle the paper.

Contents

1	Introduction: Public Services and Marxism	1
1.1	Why This Book?	2
1.2	Marx and the Marxist Perspective	6
1.2.1	Marx's Life	6
1.2.2	Writings on Public Services	9
1.3	Learning Strategy	15
1.4	Why Is This Book Needed?	15
1.5	Structure	16
	References	20
2	Public Value: How to Make It and Measure It?	23
2.1	What Do We Know About Value?	26
2.2	Value and Public Value	29
2.3	PV as Efficiency	32
2.4	PV as Democratic Society	35
2.5	PV as Coproduction	36
2.6	PV and Natural Heritage	39
2.7	Stock-Taking: The Learning Objectives	41
2.8	Marx's Contribution and Conclusions	42
	References	44
3	Public Services, Dialectics and Nature	51
3.1	Introduction	51
3.2	Marx's Journey to Historical Materialism	55
3.2.1	Epicurus	55
3.2.2	Confucians, Daoists, Hindus and Incas	55
3.2.3	Christian Exploitation of Nature	56
3.2.4	Bourgeois Economics and the Environment	57
3.2.5	Ideology and Nature	57

3.3	Alienation from Nature	58
3.3.1	Alienation.	59
3.3.2	Social Murder.	60
3.3.3	Metabolic Rift	61
3.3.4	Marxist Environmentalism a Holistic System	63
3.3.5	Critiques of Political Economy	63
3.3.6	Technological Determinism.	64
3.4	Marx and Engels on Labour and Nature	65
3.5	Marx's Method: The Dialectics of Social and Natural Change	66
3.6	Dialectics, the Natural Environment and Public Services	69
	References.	71
4	Social Change, Public Services and Dialectics	77
4.1	Introduction	77
4.2	What Do We Know?	80
4.2.1	Public Services and Dialectical Problem-Solving	81
4.2.2	Individual/Social Agent Dichotomy	86
4.2.3	Bourgeois Social Change Theory	90
4.3	The Marxist Contribution.	93
4.3.1	Individual People Learning	94
4.3.2	Social Learning, Dialectics and Elder Care Example	97
4.3.3	Example: Learning and Artificial Intelligence.	98
4.3.4	People and Learning: Agency	98
4.3.5	Epistemology and Alienation.	99
4.3.6	Dialectics Working-Class as Agent	101
4.3.7	Dialectics and Public Service Problem-Solving	102
4.3.8	Technology and Time and Social Change	102
4.4	Conclusions: Dialectics and Problem-Solving.	103
	References.	104
5	Transitions and Public Services.	111
5.1	Introduction	112
5.1.1	Summary of Argument.	112
5.1.2	Why Public Services and Transitions?.	113
5.1.3	Transitions in Mode of Production and Reproduction.	114
5.1.4	Overview of Modes of Production.	115
5.1.5	Transitions and Public Services: Causes and Effects.	120
5.2	What Do We Know?	121
5.2.1	Historical Debates	122
5.2.2	Feudalism's Public Services	123
5.2.3	Nature of a Transition and Public Services	124
5.2.4	Understanding Transitions.	125
5.3	Transition and Public Services Through a Marxist Lens.	126
5.3.1	Marx and Engels: For Reforms and Public Services, Against Reformism	126
5.3.2	Marx's Epistemic Stance	128

5.3.3	Post-Marxists, Transitions and Public Services	129
5.3.4	Democracy and Planning	131
5.4	Conclusions	132
5.5	End of Section Reflection	133
	References	134
6	The State and Public Services: The Welfare State	139
6.1	The State and the Welfare State: Introduction and Structure	139
6.2	What Do We Know?	141
6.2.1	State as Value Creating	141
6.2.2	State as Value Distribution Battlefield	144
6.2.3	State as Executive Committee of Ruling Class	148
6.2.4	State and Public Value Production and Distribution	149
6.3	The Marxist View of the Welfare State	152
6.3.1	Marxist State and Value Creation	154
6.3.2	Marxist State as a Welfare Battlefield	155
6.3.3	Marxist State as Instrument of Ruling Class	157
6.3.4	Marxist State and Public Value	158
6.4	Conclusions	160
	References	161
7	Public Services and the Neoliberal State	169
7.1	Introduction	169
7.2	Expansion of Public Service Value	171
7.2.1	Historicising the Welfare State	171
7.2.2	From Laissez-Faire Liberalism to Neoliberalism	172
7.2.3	Expansion of Value into Public Services: The Swedish Case	172
7.2.4	Failure of Keynesian Welfare State	173
7.3	Public Services in Developing Countries	174
7.3.1	Imperialist Institutions	174
7.3.2	Africa's Low Economic Development Level	176
7.3.3	African Development and NPM	177
7.3.4	Non-European Capitalist Countries	178
7.3.5	Contrasting African, Asian and South American Public Services	179
7.4	Internationalisation of Neoliberalism and NPM	179
7.5	Marx, Marxists and Neoliberal Public Services	180
7.5.1	Social Murder and Social Medicine	180
7.5.2	Welfare Economics	181
7.5.3	Interpenetrating Connections	182
7.6	The Tendency for the Rate of Profit to Fall	183
7.6.1	Why Does the Rate of Profit Fall?	183
7.6.2	Roberts and Carchedi: Marxist Economists	183
7.6.3	Enfu Cheng: The Chinese Marxist Perspective	185
7.6.4	Rotta and Kumar: Was Marx Right?	186

7.6.5	Other Marxist Studies	188
7.6.6	Post-and Non-Marxist Research on Falling Rate of Profit	189
7.7	Summary TRPF	191
7.8	Conclusions	192
	References	193
8	The Family, Households and Public Services	201
8.1	Introduction	201
8.2	What Do We Know?: The Family, State and Market Interplay	204
8.3	Family Across Cultures and Public Services	206
8.4	Families and Public Services	207
8.5	Marx Arguments	209
8.6	Marx on the Family and Households	210
8.7	Marx: Patriarchy, the Family and Public Services	212
8.8	Family Businesses Self-Exploitation and Public Services	215
8.9	The Abolition of the Family and De-familisation	217
8.10	Conclusions: Families, Capitalism, Public Services and Socialism	219
	References	220
9	Marx, the Third-Sector and Public Services	225
9.1	Introduction	225
9.2	What Do We Know?	227
9.2.1	Structures	227
9.2.2	Activities	229
9.2.3	Philanthropy	233
9.3	Marx's Contribution to Understanding the Third Sector	238
9.4	Conclusions and Marxist Contribution	242
	References	244
10	Public-Private Partnerships	249
10.1	Introduction: Definitions and Scope	250
10.2	What Do We Know?	252
10.2.1	Narratives and Ideology Around PPPs	252
10.2.2	PPPs Historicised	254
10.2.3	PPPs and Public Value	254
10.2.4	Escalating Costs of PPPs	256
10.2.5	PPPs Internationally	257
10.2.6	Risk and PPPs	258
10.2.7	PPP: De-mutualisation and Neoliberalism	261
10.3	Marx's Analysis of PPPs	262
10.3.1	Marx's: Theoretical Contribution to Analysing PPPs	262
10.3.2	Marx and Modern Monetary Theory (MMT)	263
10.3.3	Marx's Contribution: Policy	265
10.4	PPP Conclusions	267
	References	268

11	Marx and Services for the Elderly	273
11.1	Introduction	273
11.1.1	Structure	275
11.2	What Do We Know?	275
11.2.1	Services: Their Character and Meaning	276
11.2.2	Historicising Old Age	277
11.2.3	Demographic Changes	278
11.2.4	Inter-generational Value Transfers	280
11.2.5	Malthus Was Wrong	282
11.2.6	Public Services for Elderly	284
11.3	Marx's Contribution	286
11.3.1	Social Relations of Production and Reproduction	286
11.3.2	Social Darwinism	287
11.3.3	Welfare and V-Flows	288
11.3.4	Productive Labour-Value Analysis	289
11.3.5	Monetising the Elderly	290
11.4	Conclusions	292
11.4.1	Theory Contribution	293
11.4.2	Policy Contribution	293
	References	294
12	Marx, Public Services and Young People	299
12.1	Introduction	299
12.1.1	Structure	300
12.2	What Do We Know?	301
12.2.1	Public Services and the Political Economy of Young People	301
12.2.2	Training and Education	302
12.2.3	Mental Health and Public Services for Young People	303
12.2.4	Housing as a Public Service for Young People	305
12.2.5	Racism and Gender Discrimination	307
12.2.6	Violence	308
12.2.7	Prison, Incarceration and Young Offenders	309
12.3	What Does Marx Contribute?	309
12.3.1	Sub-cultures and Class	310
12.3.2	Neoliberal Political Economy of Youth	310
12.3.3	Marxist Explanations of Mental Ill-Health Amongst Young People	311
12.3.4	Youth and Social Change	313
12.3.5	Young People and Socialist Transition	316
12.4	Conclusions and Marxist Contribution	317
	References	318

13	Marx and Healthcare Public Services	323
13.1	Introduction	323
13.1.1	Structure	325
13.2	What Do We Know?	325
13.2.1	Changing Shape of Ill-Health and Healthcare Needs	325
13.2.2	Models	327
13.2.3	Lean Healthcare Systems	329
13.2.4	Technology	331
13.2.5	Social Medicine Ecosystems	334
13.2.6	Trends and Political Economy of Health Inequalities	334
13.3	Marx's Contributions	335
13.3.1	Marx and Engels on Health and Healthcare	335
13.3.2	Scientific Knowledge and Ideology in Health and Healthcare	339
13.3.3	Marx and Engels on Disability	339
13.3.4	Marxism, Reformism and Struggles for Reforms	341
13.3.5	Healthcare in Socialism	342
13.4	Conclusions and Marxist Contribution	343
	References	344
14	Marx and Public Services for Cities	351
14.1	Introduction	351
14.1.1	Structure	352
14.2	What Do We Know?	353
14.2.1	Smart Cities	353
14.2.2	Infrastructure	355
14.2.3	Transportation and Cities	356
14.2.4	Ecosystems for Life: Waste Disposal	358
14.2.5	Ecosystems for Life: Creative Industries	360
14.2.6	Ecosystems for Life: Sports Facilities and Ecosystem	362
14.2.7	Ecosystems for Life: Supporting Growth and Innovation	363
14.2.8	Ecosystems for Life: Security	364
14.2.9	Source and Use of Funds	367
14.3	Marx on City-Services	368
14.3.1	Value-Flows	368
14.3.2	Value-Destruction and Cities?	368
14.3.3	Stadtluft Macht Frei: The City Makes Us Free	370
14.3.4	Spatiality of Cities	370
14.3.5	Libraries	371
14.4	Conclusions	372
	References	373

15 Racism, Marx and Public Services	381
15.1 Origins of Racism	382
15.1.1 Classical Origins as an Idea and then as Practices and as Force	382
15.1.2 Scientific Racism	383
15.1.3 Critical Race Theory	384
15.1.4 Social Darwinism	385
15.2 Race: Colonialism and Imperialism	386
15.2.1 Superiority, Domination	386
15.2.2 Republican Slavery	386
15.2.3 Globalisation and Global Value Chains and Causal Direction of Racism	387
15.2.4 Caste, Class, Tribes, Race and Racism	387
15.3 Migration, Race and Public Services	388
15.3.1 Open Borders	389
15.3.2 Modern vs. Classical Slavery	390
15.3.3 Discriminatory Public Services?	391
15.4 Cross-Cultural Interactions	392
15.5 Marxism and Racism	392
15.5.1 Racism as False Consciousness	393
15.5.2 Are Capitalists to Blame for Working-Class Racism?	396
15.5.3 Eradicating Racism	398
References	404
16 Gender, Marx and Public Services	413
16.1 Women's Ways of Knowing: An Epistemological Gap?	414
16.1.1 Women's Ways of Knowing: Standpoint Feminism	414
16.2 Women's Exploitation at Work	416
16.2.1 Women and Economy	416
16.2.2 Unequal Labour Markets	416
16.2.3 Unequal Pay	417
16.2.4 Note on Productive Labour	417
16.2.5 Unequal Household Labour	417
16.2.6 Social Reproduction	418
16.2.7 Social Reproduction as Anarcho-Reformism	418
16.2.8 Social Reproduction: Class or Gender or Both	419
16.2.9 Social Reproduction and Modern Women's Movement	420
16.3 Society and Oppression	420
16.3.1 History	420
16.3.2 Rights and Laws Failed as Answer	421
16.4 Inequality: Improving Education the Answer?	421
16.5 Family and Oppression	422
16.5.1 Motherhood	423
16.5.2 Violence	424
16.5.3 How to Build a Girl	425
16.6 Personal Oppression and Public Services	427

16.6.1	Biology.....	427
16.6.2	Sexuality.....	428
16.6.3	Love	428
16.6.4	Conclusions: Personal Oppression.....	429
16.7	Feminism and Socialism: The Marxist Perspective.....	430
16.7.1	Marx and Engels Gender Oppression	430
16.7.2	Use-Value Production and Distribution	432
16.7.3	Agency Organising Separately, Primacy in Struggle	432
16.7.4	Shopping in Frankfurt	433
16.7.5	Imperialist Domination and Feminism.....	434
16.7.6	Socialist States	434
16.7.7	Love and Sex	435
16.7.8	Ecology	435
16.7.9	Comparing Race and Gender and Socialist Response . .	436
	References.....	436
17	Marx, Technology and Public Services	443
17.1	Marx a Scientist on Science.....	443
17.2	Commodities and Technology	445
17.3	Technology and Innovation	447
17.4	Historicising Marx's Views Science, Technology and Innovation	447
17.4.1	Marx and Alternative Views of Science and Technology.....	447
17.4.2	Marx and Engels on Science and Technology	448
17.4.3	Services as Commodities.....	450
17.5	Public–Private Science and Technology and Innovation.....	452
17.5.1	Basic and Applied Research and University–Industry Links.....	452
17.5.2	The Triple Helix and University Commercialisation....	453
17.5.3	Marx's Views on the State and Science and Technology.....	453
17.6	Technology and Productivity	454
17.7	Negative Impacts from Technology.....	455
17.7.1	Alienation and Jobs	456
17.7.2	Alienation and Work Processes	456
17.8	Capitalist Competition and Technology.....	458
17.8.1	Marx a Technological Determinist?.....	458
17.8.2	Natural Capital and the Cost of Productivity	459
17.9	Science and Public Services.....	459
17.10	Marx on Learning and Innovation	460
17.10.1	Marxist Social Learning.....	460
17.10.2	Learning and Knowledge and Public Services.....	463
17.11	Technology and Social Relations of Production and Reproduction	464

17.11.1	Socialism: A Transitional Stage	464
17.11.2	From Each According to Their Ability, to Each According to Need	465
17.11.3	Technology Clustering, Smart Cities	465
17.11.4	Technology, Public Services in Developing Countries. .	466
17.11.5	Science, Technology, Innovation and Improving Public Services	467
17.12	Conclusions	469
	References.	469
18	Transitioning to Socialism and Public Services	477
18.1	Introduction	477
18.1.1	Socialist States	479
18.2	Transitioning Concepts	479
18.2.1	Public Services and Transition	479
18.2.2	Revolutionary situation to transition from	479
18.2.3	Reform and Revolution.	482
18.2.4	Law-of-Value and Transition	484
18.2.5	Socialist Policies During Transition	485
18.2.6	Alliance of Friendly States and SIOC	486
18.3	Marx and Majority	488
18.3.1	Utopian Thinking?	490
18.4	Social Democratic Change.	491
18.4.1	Consciousness.	491
18.4.2	Transitional Power in Social Democratic Change	492
18.5	Pre-industrial Countries and Asiatic Mode of Production.	492
18.6	Transitions and Public Services	494
18.7	Conclusions: Transitioning and Public Services	495
	References.	496
19	Public Services, Planning and the New Person	499
19.1	Introduction	499
19.2	Democratic Planning and Transitions Accountability	500
19.2.1	Planning to Meet Needs: Socialism's Trump Card. . . .	500
19.2.2	Historicising Planning	501
19.2.3	Classic Theoretical Debate	503
19.2.4	Socialist Planning: Success or Failure?	504
19.2.5	Planning in Today's Socialist Countries.	505
19.2.6	Modern Socialist Planning	507
19.3	Abundance	508
19.3.1	The Vision of the New World	508
19.3.2	Marx on Abundance	509
19.3.3	Marxists on Abundance	511
19.3.4	Marxist Abundance and Nature	512
19.3.5	Misunderstanding Abundance	513
19.3.6	Abundance and Socialist States	513

19.4	New Socialist Person	514
19.4.1	Marx's Dis-alienated Personhood	514
19.4.2	New Person Pedagogy	516
19.4.3	Soviet New Personhood	517
19.5	Conclusions	518
	References	519
20	Marxism and Public Services	523
20.1	Introduction	523
20.2	Value-Flows and Public Services	525
20.2.1	What Is Wealth?	525
20.2.2	Use-Value and Value Creating Human Labour	525
20.2.3	Use-Values as Mode of Consumption	526
20.2.4	UVs Not Capitalist Commodities	527
20.2.5	Labour Processes	528
20.2.6	Use-Values, Exchange-Values and Public-Value	529
20.2.7	UVs Dominant Value	530
20.2.8	Neoliberalism in Public Sector	531
20.2.9	Alternatives to New Public Management	533
20.3	Usefulness of Marx's Method	534
20.3.1	Dialectics and Problem-Solving	535
20.3.2	Matter-in-Motion: Nature and Social Affairs	536
20.3.3	Human Essence and Rounded Person Creation	537
20.3.4	Materialism and Tangibility	540
20.3.5	Agency: Optimism of the Will	541
20.3.6	Identity Theory and Post-Modernist Relativism	543
20.3.7	Summary	543
20.4	Public Services and Transition to Socialism in Developed Countries	544
20.4.1	Public Services and Transitions	544
20.4.2	State as Battlefield for Public Services	544
20.4.3	Public Services and Democratic Planning	544
20.4.4	Marxism and Improving Public Services	545
20.4.5	News State Structure and Democratic Processes	545
20.4.6	Public Services and Transition in Developing Countries	545
20.5	Chinese Transition: The East Is Red	546
20.5.1	China's Socialist Transition and Public Services	547
20.6	Rebuilding After Neoliberal Attack and Public Services	547
	References	548
	Index	553

About the Author

Tony Kinder currently is a visiting Professor at Tampere University, Finland. Following a period working in engineering and Convenor of Shop Stewards, he worked in Trade Union education and held leading positions in two Scottish local authorities: Lothian Regional and West Lothian local Councils (1982–1998). Afterwards, he worked at the University of Edinburgh for 20 years, including as MBA Director. He regularly works with Chinese public service delegations to the UK. In 2024, Jari Stenvall and he published a book on Problem-Solving and Learning for Public Services adding to over 70 academic papers on learning and innovation in public services in Finland, and Scotland, plus a few on Ghana, with over 3000 citations. He has been an active Marxist for some 50 years.

List of Abbreviations

3S	Third sector
AI	Artificial intelligence
BCE	Before Common Era
C	Constant capital
CE	Common Era (i.e., western Gregorian calendar)
CPC	Chinese Communist Party
e.g.	For example (originally <i>exempli gratia</i>)
eV	Electric vehicle
FDI	Foreign direct investment
GDL	Goods Dominant Logic
GDP	Gross Domestic Product
GND	Green New Deal
HR	Human Relations
i.e.	That is (originally <i>id est</i>)
ICTs	Information and Communications Technologies
IFDI	Inward Foreign Direct Investment
IMF	International Monetary Fund
IT	Information Technology
KSA	Kingdom of Saudi Arabia
MECW	Marx and Engels Collected Works
MNC	Multinational company
NPG	New Public Governance
NPM	New Public Management
OECD	Organisation for Economic Cooperation and Development
OFDI	Outward Foreign Direct Investment
PRC	People's Republic of China
PSL	Public Service Logic
PV	Public value
R&D	Research and Development
RD&D	Research, Design and Development
s or SV	Surplus value

S&T	Science and Technology
SDL	Service Dominant Logic
SWCC	Socialism with Chinese characteristics
TH	Triple Helix
UAE	United Arab Emirates
UK	United Kingdom (Britain + north of Ireland)
US	United States of America
USA	United States of America
USSR	United Soviet Socialist Republic
UV	Use value
v	Variable capital
V&L	Vargo and Lusch
VC	Venture Capital
Vs2V	Values to value
WB	World Bank
WTO	World Trade Organisation

List of Figures

Fig. 1.1	Structure of book	16
Fig. 3.1	Dialectics as theory (public services and natural environment).	68
Fig. 4.1	Circles of control and problem-solving	84
Fig. 4.2	Dialectics as practiced (public services and natural environment)	92
Fig. 4.3	Dialectics as social learning.	94
Fig. 4.4	Dialectics as social learning detail.	95
Fig. 5.1	Mode of production and features	115
Fig. 5.2	Modes of production progression/change	117
Fig. 5.3	AMP mode of production progression.	117
Fig. 5.4	Premature servicization	119
Fig. 7.1	Post-1945 USA rate of profit	187
Fig. 7.2	Kilman (2011) rate of profit.	188
Fig. 9.1	Degrees of coproduction	232
Fig. 11.1	Britain demographic transition	283
Fig. 11.2	Lifetime input and output from welfare by working-class	289
Fig. 12.1	Emotional states	305
Fig. 13.1	Models of healthcare	328
Fig. 17.1	Vygotsky social learning	461
Fig. 19.1	Democracy, planning and abundance interplay with public services.	500
Fig. 20.1	Illustrative dominance of UVs in UK economy.	530

List of Tables

Table 3.1	Example of rich-country local environmental services	60
Table 4.1	Typology of problem-framing	83
Table 4.2	Content in dialectics.	93
Table 5.1	Defining characteristics of modes of production and relevant to public services	116
Table 7.1	Factors influencing the tendency for the rate of profit to fall.	184
Table 9.1	Organisational forms of 3S	228
Table 10.1	Examples of PPP small local Council, Scotland	256
Table 14.1	Questions related to value-destruction.	369
Table 14.2	Classification of libraries	371

Chapter 1

Introduction: Public Services and Marxism



Abstract This introductory chapter highlights the aims of applying Marxist concepts and framework to public services, adopting throughout an internationalist perspective while calling attention to localised learning in context and culture and building a Marxist toolkit for resolving public services problems. Explaining the usefulness of Marx's idea of use-value as relational, as opposed to transactional market orientated exchange-value, it calls for and justifies expansion in quality and access to public services rejecting the neoliberal, one-best-way dominant efficiency perspective. Problem-solving is positioned as essential to the transition from capitalism to socialism promoting agendas treasuring our natural environment, reducing inequalities and creating abundance, it confronts head-on neoliberal policies and structures calling for widespread planning and democracy and demonstrating the superiority of public over privatised services. It outlines the structure, aims and learning objectives of the book. Think of this book as a series of rambling walks with a close friend discussing subjects fascinating to each of you. These include improving local public services, the relevance today of a Marxist perspective, building a new and better world from both bottom-up and top-down. Our discussions range widely across the social sciences including public management, economics, philosophy, sociology, innovation studies, politics, ethics and psychology, also referencing advances in social medicine, artificial intelligence and bioengineering. These debates constantly return to new insights the Marxist perspective provides, why the Marxist framework sheds light on aspects of local public services that other frameworks leave in darkened corners and how improving local public services guided by Marxism builds bridges towards a better, safer and fairer world. The book fills a gap in literature: a Marxist account of public services.

¹To avoid confusion around the many editions of Marx and Engels' works, references are the Lawrence and Wishart edition of Marx and Engels Collected works (MECW) much of which is available on the Marx and Engels internet archive <https://www.marxists.org/archive/marx/index.htm>. Study guides to Marx are available at <https://www.marxists.org/archive/marx/works/subject/guides/index.htm> BTW: this is the one and only footnote you will find in this book.

²To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, Capital is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of *Capital*. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

1.1 Why This Book?

Much of the literature on public management, public services, accepts the world as it is being (a) managerialist (efficiency, new public management, NPM) or (b) third-way coproduction, shifting services from the state to the third-sector (3S), or (c) that user-led innovation or private–public partnerships, governance neutrality will answer problems. Other public management (PM) theorists turn to network theory or quantitative surveys to explain what, how and future of public services. As a hybrid discipline study of public services has no clear set of guiding principles, toolkit or holistic framework. This book has three aims (goals) and three learning objectives (route to goal).

Aim 1 is to demonstrate the usefulness of Marx’s holistic conceptual categories in analysing, designing and delivering public services. For example, Marx argues that before capitalism, while some production was for trade most production occurred in families as use-values (UVs). UVs are wealth produced by labouring on ‘free gifts’ of nature (natural artefacts) creating wealth that solves problems, wealth in the form of goods or services such as healthcare and education. Public services are UVs—created and distributed outside of markets, without money as mediation, unlike capitalist EVs produced for the market and for profit. UVs are created in what Kinder and Stenvall (2021) call the mutuality sector, the not-for-profit sector. Yet, economic and public policy primarily accommodates the private sector. While NPM wants public services to be more like the private sector, this book celebrates the differences showing the relevance of Marxist ideas on democratic planning and bottom-up, local governance as the best way to deliver UVs and build the active citizenship capacity that supports transitional steps to a better world. It celebrates good public services for their impact on equality and justice, ensuring respect for all and the expansion of public services as part of the journey to a socialist society.

Aim 2 The book seeks to persuade readers on a range of anti-capitalist arguments flowing from the notion that labour not capital produces value, an argument with a long lineage including Aristotle, Saint Augustine, Confucian, Vedic, Islamic, Adam Smith and David Ricardo and Marx. It disputes arguments that markets are self-adjusting to the point of greatest efficiency and instead looks to aligning society and economy: the relations of production (making things) with relations of reproduction (making social relationships). Challenging capitalist economic, social, environmental and service thinking as it applies to public services, the book exposes a lot of ‘common sense’ and assumptions as pure ideology, suiting those with wealth and power. Capitalist arguments that public services are necessarily inefficient because they are labour intensive are rejected, insisting that the quality of service also counts as productivity. Rejecting neoliberalism (the ideology that markets are the solution to all social problems, hence a smaller public sector), an internationalist perspective shows that neoliberalism keeps poorer countries poor, and their public services inadequate: that universal recipes do not work. Instead we argue that context is everything: just as the scale and scope of public services alters with context and culture, so too the holistic metrics by which success in public services is judged

alters across cultures. Throughout, the book draws on examples the changing contexts for public services and that histories matter, especially if those histories include colonialism and neoimperialism. The book explores how families and the third-sector organisations contribute use-values as public value in public services. It challenges the racist heritage of colonialism calling for greater cooperation internationally in areas such as education and healthcare.

Aim 3 is to show the temporary and transitory nature of capitalist public services arguing that expanding the range of public services is an important part of the transition to a fairer and better society, a socialist society. The book embraces technological advances focusing on the direction of change and who benefits from change. Integrating, planning and personalising public services can be part of the promise that new technologies help deliver argument backed up in this book by practical examples from education, health, care, traffic, waste and a wide scope of services. Hence the book supports mutuality and not-for-profit service provision, recognising that at times partnering with for-profit organisations makes sense, while rejecting cherry-picking of public services by the private sector. A central aim of the book is emphasising opportunities from learning and innovation to improve and expand local public services. Instead of lengthy case studies that rapidly date, the book supplies a toolkit for innovation coupled with examples of how the tools can be applied, always mindful that opportunities vary internationally between context and cultures including phases of economic development. Inequalities within countries, especially those relating to women, disabled people and racial minorities form part of the discourse in every chapter of this book.

Hopefully you the reader find these aims exciting and a refreshing change from the public management literature that assumes everybody lives in the USA or Europe or that manging discontent is a sufficient aim of PM. How will the book achieve these aims? What learning style is proposed? How can you get the most out of this book? There are three learning objectives answering these questions.

Learning Objectives

Objective 1: Learning/re-learning using Marx's method

Throughout this book we relearn the importance of public services, without which lives are blighted: children are not educated, the sick not treated, elderly not cared for, waste not disposed of and traffic flows not managed. Our learning from Marx relates to his method and framework rather than his own direct experience of public services, which was limited since during his lifetime (1818–1883): public services where he lived in the nineteenth C (century) London, England, were confined to the military, national administration and only beginning to offer at a municipal, level services such as policing, sewage and clean water.

Each chapter summarises what research tells us about the issues and then discusses the Marxist perspective. While there are quotations from Marx, mainly the book focuses on how Marxist method and ideas today help you

explain what is happening in your public services. Sometimes this means bringing Marx's ideas up to date. For example, we can assess lessons from the Soviet Union which he could not. Also, Marxism is a living scientific method: we discuss ideas (for example) on the environment from John Bellamy Foster (2000a, b, 2020), on the economy from Michael Roberts (2021), on social policy from Bernstein (2000), on learning processes using Vygotsky (1934) and on the dangers of idealism, citing Ilyenkov (2020). We constantly return to local public services, looking through the eyes of class relations, how the social surplus is used, what change is occurring and what is possible. Banaji (2010) insists that Marx's method, and not his models are his lasting legacy and that the method includes a holistic view of capitalist economic and social relations.

Global population has risen from 2.5 billion in 1950 to 8 billion today, current estimates suggest decline after 2085. Public services have supported this growth: improved healthcare, housing, water and education. These public services rely on technological change to service more people. Our journey in this book explores how services improve (new ways-of-working, technologies), weighing up also some of the downsides. Overall, we embrace technology as a way of enhancing productivity, for example looking at how digitalisation and artificial intelligence can create radically new service models.

After the 1871 Paris Commune (MECW-23)¹ and as Löwith (1982) notes the 1914 War, some theorists argued that the Marxist strategy of uniting the working-class was dead. Similarly, following the demise of the Soviet Union, theorists (we will meet them in later chapters) from the Frankfurt school and post-Marxists again argue that Marxism is irrelevant promoting instead individualisation and culture wars featuring sexuality and identity. Instead, as Blumenberg (1985) showed, we can learn new lessons about transition from capitalism learned in Russia, Spain, Mexico, Chile, Venezuela, Cuba and Vietnam, and now China, including Billig (1996) says, the roles of public services in these transitions. We explore ideas about socialism from Said and Samir (1972), Julius Nyerere, Modibo Keita, Patrice Lumumba, Sékou Touré and Kwame Nkrumah, and how those ideas are interpreted in colonial countries (Friedland and Rosberg 1964), along with ideas from Arab socialists (Said and Samir 1972). We also reflect on Indian theorists such as Sen (1999) and lessons from the 'pink tide' (Ellner 2019) leftist governments in South America.

Objective 2: Learning to build your own Marxist toolkit

Marx argued that social relations of production and social relations of reproduction are either aligned in a planned society meeting the needs of all, sharing abundance in associative democracy or alternatively, misalignment resulting in falling profit rates and crisis: misery and wars. These crises today feature rising inequality, a widening *metabolic rift* between what is taken from nature and nature's sustainability, and continuous wars over resources

and markets (there have been only 26 days in which there was no war in the world since 1945). Marxism provides the best theoretical stance to explain what is going on, pointing towards a better future. Like a Swiss Army Knife, there is a tool for every occasion. This book will help readers expand their toolkit when looking at public services and their effects.

Marx views nature as a precious *free gift* to humanity to be carefully nurtured. He argues that humans labouring on natural artefacts (resources) create use-values: wealth that solves problems. Capitalism produces and distributes UVs using markets (EVs: exchange-values, commodities with a price) as a way of taking part of the value labour produces for capitalist accumulation. Public services alternatively produce and distribute UVs by non-market means, emphasising mutuality and planning. This planning should (but does not always) ensure that nature's reproduction boundaries are not exceeded. Planned public services also should (but do not always) ensure that citizens and service user values are embedded in public services—public value (PV). The book builds a toolkit for problem-solving in public services, creating PV. UV (use-value), EV (exchange-value) and PV (public value) are the main abbreviations used in this book.

This toolkit explains how leadership builds consciousness to reject (for example) modern versions of Social Darwinism, a form of racism: racism within countries in the form of discrimination and racism between countries, taking the form of colonialism and today neo-imperialist financial domination. Throughout the book, gender inequalities are highlighted. Both racism and misogyny are the children of capitalism—deeply rooted prejudices against other human beings that will take decades of active attention to eradicate. Later chapters explore how neo-imperialist exceptionalism and fictitious capital influences public services in developing countries making services unaffordable except for elites. The toolkit challenges rational choice approaches showing how learning to adapt technology to local needs involves emotional attachments sensemaking from experience, and investment in understandability where advanced technologies are used: active learning and action learning. Marx's dialectical method (considered in Chap. 3) reveals how planning can be more efficient than markets and can overcome the dark side of using advanced technologies. In every chapter the reader is encouraged to apply her/his own critical thinking to the real-world problems faced: to apply the Marxist toolkit.

Objective 3: Learning to be critical of the capitalist one-best-way

Public services are part of the transition towards socialism. If, as Mészáros (1995) argues, the State is the *command structure of capital*, then building a society rejecting capital accumulation as its core aim cannot occur without transition from existing state regimes, including the capitalist state's promotion of environmental vandalism. Transition is a core concept here:

understanding why we need transition, how it is occurring and what we are transitioning from and to.

Much of the discussion in Marxist literature talks about the ‘State’ in general terms, the *executive committee of the ruling class* (MECW-11) or *prisons, courts and bands of armed men* (Lenin, *State and Revolution*). Here we have a worm’s eye localised view of the state and the public services it provides, periodically joining up the macro and the micro perspectives. Necessarily, Marx’s focus was to provide a scientific justification for the transition to socialism. This book emphasises how public services are part of that transition and the potential role of public services in the emergence of new societies. Some of this will be universal in the sense that every country faces the challenge of (for example) providing modern education and health services. However, this occurs in the specific context and culture of individual societies and therefore each society faces particular and unique challenges in the public services needed and possible to deliver. The book is not a set of recipes or list of best practices to be copied, it instead explores how non-market options using experimentation, curiosity, radical thinking is better than muddling through using capitalist markets. Integration of specialist knowledge disciplines is emphasised, as are the roles of the family and third-sector community groups. Instead of focusing only on what’s wrong and deficient, the reader is encouraged to think about local public services as helping build the new society—a bridge to the future. Doing so challenges the neoliberal outlook of international institutions such as the International Monetary Fund, World Bank and World Trade Organisation. However it is insufficient to dwell on the negatives when it is also possible to illuminate the potential positive alternatives.

1.2 Marx and the Marxist Perspective

1.2.1 *Marx’s Life*

Karl Marx was born on 5 May 1818 in Trier (Prussia, Germany) to a German lawyer father and Dutch mother, both from Jewish families. Faced with anti-Semitic discrimination, his father converted to the Lutheran (Protestant Christian) religion to practice law, and the young Marx was baptised into the Lutheran church and attended a Lutheran primary school. In 1835 he graduated after 5 years at a Gymnasium (secondary school) having studied maths, Greek and Latin. He was also fluent in French, Spanish, Italian and English and in later life learned Russian when he studied the Russian peasantry and economy. He entertained friends with his deep knowledge of Shakespeare, pronounced in the German accent he never lost. Although enrolled in Bonn University to study law, Marx gave his attention to philosophy, poetry and literature. After a year, he transferred to the University of

Berlin to study philosophy graduating with a PhD in 1841. His thesis (MECW-1) showed how materialism and dialectical change go back to the early Greek philosopher Epicurus.

In 1842 Marx became Editor of the Cologne *Rheinische Zeitung* a left-leaning newspaper later suppressed by the Prussian Government. He moved to Paris, France, only to be expelled in 1845, then entered the open political phase of his life. While in Brussels, Belgium, he helped found the German Workers' Party and became active in the Communist League, which in 1848 commissioned Marx and his life-long partner Fredrich Engels to write the *Communist Manifesto*. Harassed in Belgium, Marx returned to Cologne, editing *Neue Rheinische Zeitung*. Again being forced to move, he met up with Engels in Paris. From there, Engels went to Manchester as manager of the family company and Marx as a refugee with his family, went to London, where he lived for the last 34 years of his life. In 1843 Marx married his childhood girlfriend, Jenny von Westphalen. They had seven children, three girls surviving (Jenny, Laura and Eleanor); despite living the life of a revolutionary, involving years of poverty, they remained a devoted couple.

In 1849, Marx, Jenny and three children first lived at 4 Anderson Street in Chelsea where his son Henry was born and near the Red Lion public house, at which the Second Congress of the Communist League was held. Having begun work on *Contribution to Political Economy*, the Marx family moved to 28 Dean Street where they lived in the 1850s, near the British Museum, circular Reading Room, where Marx occupied the G-7 chair. He supported the family by working at a journalist on the *New York Tribune*, for 6 years. His articles analysing the southern US slave economy being especially influential in the build-up and during the American Civil War (1861–1865). Marx had a deep understanding of the 'original sin' slavery of the United States. His income fluctuated and as a refugee he faced financial difficulties. The family had to move to smaller rooms at 1 Modena Villas, Maitland Park Road, Belsize Park and then he left Soho and between 1856 and 1864 stayed at 46 Grafton Terrace, Belsize Park, Kentish Town. In 1875 they moved to a smaller house 41 Maitland Park Road, Belsize Park where Jenny Marx died in 1881. Distraught, Marx's health declined. His smoking, alcohol consumption and taste for spicy food also affected his health and he died in his armchair on 14 March 1883, suffering from bronchitis, pleurisy, exacerbated by an abscess on his lung. We discuss in later chapters his personal contribution to building worker's organisations, such as the International Working Men's Association (the First International) and his involvement in and learning from worker's struggles, especially the 1871 Paris Commune.

The Marx family struggled with their own poverty, relying on what financial help Engels could offer. When Engels sold the family business (in 1869) he moved to London, living just ten-minutes' walk away from Marx, Engels was able to give Marx a stable income. Engels relationships with the Irish Burns sisters and his travels in Ireland bred his commitment to Irish and anti-colonial struggles.

Marx and Engels Partnership

Writing the *Communist Manifesto* together began a life-long friendship and intellectual partnership between Marx and Engels (Roberts 2020a, b). Various authors have tried to undermine Marxism by suggesting that somehow Engels distorted Marx's work, or that the young Marx was more liberal than the older Marx. Lafargue (1890), Marx's son in law, and close friend of both Marx and Engels said, *Marx appreciated Engels' opinion more than anybody else's, for Engels was the man he considered capable of being his collaborator. For him Engels was a whole audience. No effort could have been too great for Marx to convince Engels and win him over to his ideas.* Nobody who has studied their correspondence can seriously argue against the close and mutually beneficial intellectual partnership. Below we briefly consider and reject Marxologist arguments that somehow Engels vulgarised Marx, or that the 'old' Marx somehow rejected his younger (more humanitarian) ideas.

Applying Dialectics

Dialectics are simply logic, however, unlike formal logic the conclusions from which tell us no more than the truth contained in its propositions, dialectical logic is more revealing, it 'digs' into problems seeking the basic causal relationships. It does this by recognising that most socio-physical and all value-related problems are multilevel and multi-layered and that these interpenetrate: Marxist political economy does not recognise the barriers created by academic disciplines. Historical materialism always historicises, identifying contradictions, changes from quantity to quality, interpenetration of layers: it is never reductionist, avoids binary opposites and is unafraid of complexity. Dialectics can become a key part of your toolkit, something to use every day.

Internationalist

Marx was international in his global analysis of capitalism, his practice in supported international solidarity movements. As capitalism globalised, so too did Marx's interest in for example, China, Russia, India. The heritage of Marx's First International was the Second international, which sadly failed to stop the 1914–1918 War and the Third International which failed to stop the rise of fascism. Although using the nation state as a unit of analysis when citing figures and policy examples, Marx insisted that socialism had no national interest and instead represented the interests of a united international proletariat. He deplores (*Capital*, Volume 1:Chapter 30; MECW-35) the internationalisation of capital, exploiting wage arbitrage and despoiling the natural environment with a lust for raw materials, seen today in *Capitalism in the 21st Century*, the title of Carchedi and Roberts (2023) work. He saw (Melotti 1972) the cancerous effects of a labour aristocracy in developed countries, sharing some benefit from this international exploitation. While recognising that each national working-class had the responsibility to fight its own bourgeoisie, he recognised that confined to one country socialism faced difficulties, subject as it will be to sabotage and pressure to marketise from capitalism countries. He applauded British workers for supporting the northern cause in the American Civil War, despite interrupted cotton supply, leading to mass layoffs, and trade union solidarity actions supporting strikes. Marx rejected Ricardo's (1821)

bourgeois economic theory of comparative advantage, pointing to Indian famines under British rule. He and Engels denounced the British Opium Wars with China, beginning the century of humiliation and would have embraced Mao Tse Tung's declaration of the republic in 1949 and India's fight for independence. Marx denounced all racism, and as Bloom (1947) notes, rejected shallow cosmopolitanism, currently encapsulated in notions of a global (internet) village and the liberal 'rights' agenda, hiding as Ollman (2003) notes, imposed market domination and neoliberal ideology. Marx instead called for an *association of friendly states* echoing (one of favourite poets), Robert Burns's brotherhood of man and citizens of the world. Marx was of his time, too early to see the internationalisation of capital in Lenin's (1918) *Imperialism*. Throughout his writings on India, America, Africa and Asia, Marx was always internationalist—what binds workers together runs deeper than the cultural traits that differentiate them.

Discussion later includes the nature of development and success (Enfu Cheng et al. 2019a, b) of reform processes in China and Socialism with Chinese Characteristics (SWCC), and the collapse of the 1917 Soviet Revolution—two of the most significant events in the twentieth century. Lenin feared isolation after the Brest Litovsk (Chernev 2017) 1917 treaty, just as China today strives to build international links using trade, the Belt and Road Initiative and ASEAN. As Marx noted (1882 Letters, MECW-46) in relation to Polish and Irish independence, is impossible without national integrity, internationalism. Complex issues discussed below also include the relevance of the *Thucydides trap* for international institutions (Streck 1992), free movement of capital in relation to free movement of labour and walled welfare (Brown 2017) and slavery reparations (Smith 2016). All these discussions locate internationalism in an historical context, recognising that capitalism occupies but a moment in history and that the future may offer entirely different relations of production and relations of reproduction. We discuss how Marx evolved the idea of an Asiatic mode of production, allowing for different pathways of modernisation and transition to socialism, especially in his later ideas on Russian peasant communes. Marx does not offer universal recipes or linear ways forward: he offers a way of thinking about the world based on labour as the only source of value and the necessity of socialism.

1.2.2 Writings on Public Services

Marx's Early Works

Marx wrote several works in his mid-20s, the *Economic and Philosophical Manuscripts* (1844, EPM), including *A Contribution to the Critique of Hegel's Philosophy of Right*, *The Holy Family* (1846), and the *German Ideology* (1847) none of which were published in his lifetime. Here is a summary of what they say of relevance to public services.

- In EPM (MECW-23) Marx discusses Hegel's idea that civil society is a mediating unofficial class composed of educated landowners and progressive capitalists; Hook (1963) charts the evolution of Marx's ideas. This elite class engages in civic discourse of a rational nature, part of which may conclude that reforms, given as civic rights to the working-class, ultimately benefit capitalism. Education is the classic example of such rights; it benefits capital if workers can think creatively, suggest innovations and improvements to products and processes. Intangible liberal democratic 'rights' such as free speech and assembly sow the ideological illusion that the power to fundamentally change society rests in rational discourse in a bourgeois Parliament. Marx makes a withering critique of Hegel's notion of rights, arguing that such concessions once given can be taken away, as occurred in the Bismarckian state and regime of Louis Napoleon in France and in the twentieth century, and currently the hollowing-out of European welfare states—deleting 'rights'. As Marcuse (1943) notes, in many countries, in an extreme form the bourgeoisie opts for naked rule by power in the form of fascism. Rights then in the form of public services, though apparently attractive, can be transitory, as the neoliberal attack on welfare states using NPM illustrates. This is the weakness in Habermas' (1986) argument that rational discourse in civic society can result in lasting fundamental change beneficial to the working-class. Marx insists in *Class Struggles in France* that the liberation of the working-class can only be an act of the working-class, otherwise, what is given can be taken away. The great American socialist Eugene Debs used to say, *If I could lead you into the socialist promised land, I would not, because somebody else might lead you out again*. Then, citing Marx, *the emancipation of the working-class must be an act of the working-class itself*.
- EPM also includes Marx's earliest discussion on nature and alienation. His argument, reinterpreted into modern language (Avineri 1968; Kamenka 1969) is that capitalism denies humanity's species-being, its essential self, by alienating workers from (a) the fruits of their labour, (b) from relationships that are not mediated by money and the market, and (c) from natural heritage, since capitalism forces people to live in crowded and unhealthy towns away from the countryside and destroys our natural heritage by opting for ways of production that pollute and make the natural environment unsustainable (see Foster 2020). Socialism offers socialised production and socialised public services—the elimination of alienation.
- It is often said that if all workers spat together, they would drown the capitalists. However, they don't spit together and instead allow ideas about God or parliamentary democracy or freedom or nationalism to cloud their consciousness. The German Ideology (1847/MECW-5) highlights and explains the notion of false consciousness. In later life, ideology explains Marx and Engels excitement over Darwin's *Origin of the Species* providing empirical proof for human evolution as an alternative to religious explanations (the design and teleological arguments proving God's existence). Materialists, Blunden (2012) notes, had new weapons with which to undermine ideology. Public services, including secular education, libraries, news reports and communications offer an alternative to false con-

sciousness, as Chap. 5 argues, raising collective consciousness is an important way of making public services more relevant and more likely to solve peoples' problems, dependent as always on clear leadership from a Party able to raise consciousness and harness working-class power and build alliances with movements fighting for nature, national liberation and against racism and sexism.

- Originally articles in the left-wing *Neue Rheinische Zeitung* (1847, MECW-7/8/9) that Marx edited in Cologne (now Germany), *Wage, Labour and Capital* (MECW-9) was then issued as a pamphlet, a precursor to promised further pamphlets on economics, which were a *Preface to Critique of Political Economy* (1859) and *Capital* (1867). Marx outlines his theory of exploitation. Only labour and natural artefacts are the source of value, not capital. The worker sells his labour-power (not herself) and working on natural artefacts (raw materials) converts these into goods or a service, that are then sold on the market for a price containing value over that paid to the worker, surplus-value (SV), which the capitalist expropriates. Since workers have lost ownership and control over the means of production, the capitalist has the power to exploit workers, wrongly deem their wages as 'fair', and even reject the notion that they are exploited. Marx is using his dialectical method to uncover 'hidden' value relationships: digging beneath appearances to reveal reality. Wages and profits *stand in inverse relationship*. The capitalist thus accumulates an increased amount of capital to begin the next circuit of exploitation. To compete on price, the capitalism forces down wages and by investing in new technologies reduces the labour-power from which to capture value that labour creates, provoking a crisis. During crises of profitability the inability of workers—due to low or no wages—to buy the products of capitalism exacerbates crisis, which the capitalist can only end by further reducing wages or which the working-class can end by overthrowing capitalism. Social distribution of the social surplus as public services guarantees that value created is distributed in ways that solve problems people have using socialised services, instead of accruing to a rich elite. In a crisis the state turns off the tap of public services, seeking to transfer services to profit-making in the private sector.

Communist Manifesto

The *Manifesto* sets out programmatic aims. These include progressive income tax, abolition of inheritances and private property: here Marx and Engels are attacking the stock and flow of capital, social inequality based on wealth and income. This is clearly a 'transitional' demand in that particularly abolishing inherited wealth attacks the perpetuation of capitalists as owners of wealth used to exploit others. He does not say to where the inheritance will be diverted, presumably, socialised agencies for investment in socialised industry, joining another set of demands: nationalisation of communication and transport, national banks controlling credit, publicly owned land. Here Marx and Engels are acknowledging the money-form of capital and circulating capital and land as the source of rents and raw materials. Although they state the aim of the programme is a *state-less and classless society*; note that even 30 years before learning lesson from the 1871 Paris Commune, Marx and

Engels are calling not for control of the bourgeois state, but for a new non-state, by implication controlled directly or indirectly on behalf of society as a whole. The third set of demands, *abolition of child labour*, *free secular education* are social and intended to improve relations of reproduction. These important demands are not transitional, they are radical reforms that capitalism can concede while retaining power, as did occur, under pressure from organised labour in Britain, in the later nineteenth century. It is from the 1871 Commune (the first workers' government) that Marx draws practical lessons (education, healthcare), building on Engel's work *The Housing Question* (MECW-23). Only later (*Class Struggles in France*) did Marx more clearly see that the core lesson of the 1871 Paris Commune is that the dictatorship of capital must be replaced by a *dictatorship of the proletariat* that can begin building the new society and eventually withering away state mediation in peoples' lives.

Karl Marx, *Critique of the Gotha Programme* (1875/MECW-24)

In criticising the draft programme of the United Workers' Party of Germany, influenced by utopian socialist Ferdinand Lassalle, Marx emphasises the need for practice and precise language. Abstract talk of 'rights' and policies must take note of the potentialities developing out of capitalism, from the capitalist system the new dictatorship of the proletariat has superseded. He argues that the quality of welfare systems and public services depend on the level of economic development: more advanced in a developed economy, less so in a developing economy. Social ownership of the means of production is a platform from which to grow a future communist society, what is immediately achievable upon taking power depends on the practical limits inherited. One example is education, the new society does not want to level down standards of education, it wants to level up to the best available, however, budgets and practical constraints will influence how far and speedily this can be achieved. This is the closest Marx gets to commenting on public services; we will return often to his views.

Friedrich Engels, *Critique of the Erfurt Programme* (1891)

This is a critique of the Erfurt programme of the German Social Democratic Party, the most advanced Marxist party in the world at the time. This was a mini-max programme, unlike Marx's transitional demands in the Manifesto. It called for maximum change (social ownership means of production the conversion of capitalistic private property ... into common property and then a list of minimal changes, none of which threatened the continuation of capitalism. These included: abolition of regressive and one progressive income tax, improved democracy, equal rights for women, freedom of assembly and speech, free healthcare, worker's rights: 8-h day, no children under-14 working, improved social insurance and welfare benefits system, unbroken 36 h rest per week, separation of church and state, secular education, a people's army, supervision of all industrial establishments and abolition of servants' regulations. Engels (1895) pointed out that the programme did not call for a *dictatorship of the proletariat* replacing *dictatorship of the bourgeoisie*, i.e. the unrestrained ability to fundamentally alter society and economy: temporary powers to combat capitalist defence if their interests; setting the structures for a democratic

republic. He also criticised the determinism that Kautsky and Bebel wrote into the programme: the suggestion that capitalism was dying of its own accord and did not need a revolutionary change. Engels felt the programme sowed the illusion that fundamental change could be achieved by parliamentary means. In its minimum demands, the programme asked for state-based public services, not dissimilar to those currently prevailing in capitalist Germany, although the people's army amounts to the one-year military (or social) training. Socialists would replace the bourgeois state with democratic structures and at a later stage of socialist abundance, the state will wither away being unnecessary.

To summarise Marx and Engels position on public services. Below we show that they accept that the family will revert in a socialist society to being a unit of production and consumption of use-values. Their comments on the third-sector, especially cooperatives argue that these too will feature as non-commodity value producers, i.e. use-value producers. Marx and Engels connect the scope and scale of public services from the publicly funded sector to economic development, noting that the new society grows from the womb of the old and that the public services possible depend upon what public services the new society inherits and the social surplus available.

They favour reforms within capitalism that benefit working people, noting that even capitalist political parties, under pressure will concede reforms, such as Bismarck's welfare reforms. This differs from a reformist party, such as the German Social Democratic Party, which was becoming one in 1891: a party with the allegiance of the working-class, who had the illusion that it had a socialist programme, when its min-max programme stopped short of fundamentally altering class relations, leaving the bourgeoisie in control of production. Of course it remains possible to fight for reforms using revolutionary means, General Strikes against (for example) wage cuts are an example. This is the case Rosa Luxemburg (1900) made in *Reform or Revolution*, arguing against the German SDP leadership claim that cumulated parliament reforms can transition society from capitalism to socialism.

Revisionism, Revising and Heresy

Marx and Engels died over 150 years ago; since which major social, technological and political changes have required Marxists to update their work; as with any deviation from an orthodoxy leaving them open to charges of betrayal, revisionism—heresy: not sticking to the party line. As Thomas More (1529) *Dialogue concerning Heresies* points out, the seriousness of the charge is misleading others, causing them to lose salvation. Desiderius Erasmus (1964) pointed out; orthodoxy is always the least painful course. Here the intention is to follow Marx and Engel's theoretical perspective as closely as possible. This entails updating the concepts in crisis theory, (for example) John Bellamy Foster's (2020) approach to the environmental crisis, Michael Robert's (2016) reinterpretation of economic crisis, Vygotsky (1934) on social learning, Bernstein's (2000) approach to learning and consciousness and Ilyenkov's (2020) framework for dialectical materialist reasoning. Each of which retain Marx's concepts and socialist outlook.

A good exposition of materialism is Timpanaro (1975), *On Materialism*. He notes Marx's critique of Feuerbach's passive materialism, arguing instead for active materialism that not only rejects God, but also idealism such as capitalism ideology such as the necessity of market efficiency, of ideology of liberal democracy. Active materialism says that matter preceded and could not be caused by the mind, matter-in-motion causes events not in-the-head (which is metaphysics, like religion). For materialists, there is a two-way wholeness between the physical and intellectual, however, always with a priority of nature over mind: mind is a part of nature biologically, there is no separate, non-material mind. This is why ideas are part of a super-structure that dialectically interacts with the economic sub-structure. Experiences, use social learning processes (citing language, metaphors, frameworks) to make sense of the world, yet experience can never be a simple production of reality by individual subjects since subjects are rooted in material reality and material objects influence the sense we make from experiences. Just because humans label and categorise nature does not alter nature, it has an objective reality whatever subjective labels we attach to it. Timpanaro says, *Marxism was born as an affirmation of the decisive primacy of the socio-economic level over juridical, political and cultural phenomena, and as an affirmation of the historicity of the economy*. The materialist views the world minds-on, always seeking the deeper reality behind social or physical appearances.

In one area, however, the book intentionally deviates from Marx: the notion that public services are use-values (UVs). Building on earlier work (Kinder and Stenvall 2023, 2024) the book argues that public services = UVs = wealth that solves citizen's problems = public value created and distributed using social relations characterised by mutuality without recourse to market relations and without the mediation of money. This is a lot to take in and is unpacked as the early chapters progress. It is further argued that UV production and distribution is not confined to the formal public sector and includes public value created and distributed by households, the third-sector (3S) and those public-private hybrid arrangements led by the public sector. One of the arguments here is that these mutuality relations are now dominant in countries such as the UK, justifying a policy reorientation away from market relationships towards increasing and improving UVs and thereby public value (PV). Marx commented little on the public services because in his day they hardly existed apart from the military, emergent civil service, some education and some infrastructure. Hence his focus on exchange-value production as the means of exploiting and alienating labour. His crisis theory (as updated) is retained in this work; what is expanded is his concept of use-value as the source of PV and building block of the public sector and thereby (potentially or actually) planned and socially governed. By the end of Chap. 3 these arguments will be unpacked.

1.3 Learning Strategy

What do you the reader expect to get from reading this book? Reflect for a moment on what is wrong and right with the public services you are interested in and why this book might help you collect your thoughts or view things from a different angle. Stop and think for a moment how you will use this book. Not simply whether you will start from the beginning or alternatively read the chapters with most apparent relevance. Reflect on how you learn by reading. Richard's (1965) book has some good advice: stop after every page and reflect on questions such as do I agree, is the story coherent or inconsistent, is the argument or evidence persuasive? Reflect after every page or couple of pages.

The reason Socrates, the early Greek philosopher (469–399 BCE), (before common era) never wrote anything was because he was suspicious that once put into writing ideas or stories were fixed, when his ideas or the facts might alter. He preferred talking. His point is a good one to remember when reading this or other books: has time changed things, do the arguments or stories need updating or replacing or challenging? Undoubtedly Alberto Manguel the Argentinian philosopher would agree with Socrates' point on talking. In his *A Reader on Reading* (2010) Manguel delights in sharing a book so he can discuss meanings with others. When he cannot share, he reads key passages aloud, so that instead of skipping over them, he reflects. He also says that reading in a second language is an advantage. Constantly having to reach for the dictionary or internet to find the meaning of words forces him to reflect more on meanings: slower reading, deeper learning is his advice. Understanding the author's meaning and perhaps disagreeing is close to the French essayist Michel Montaigne (1533–1592) who distinguishes a well-made head from a well-filled head, the latter uncritically accumulating information without reflecting and turning information into knowledge. He has another piece of advice for readers saying he reads to be made curious and to be amused.

Remember that most thinking (cognitions) occurs unconsciously when we don't know that we are thinking. Later chapters detail the learning theories of Lev Vygotsky (1934), the famous Russian pedagogist. One point is that learning requires making sense of new information in relation to 'old' or existing knowledge: your mind needs time for sensemaking, to 'sort out' new learning. Perhaps it's time for a cup of tea?

1.4 Why Is This Book Needed?

Looking at public services through the lens of Marxism offers new insights on the design and delivery of services, sometimes radical alternatives to organising services. Fundamentally, the book is a new way of exploring how public services fit into society and how society arranges its public services. Managerialism is not naturalistic, there are alternatives, often revolving around more democratic structures.

Austerity and hollowing-out of the state are also not naturalistic; Marxism provides an alternative social outlook putting peoples' needs before making profit. Hopefully this book stretches your intellectual interests since the Marxist viewpoint does not recognise rigid academic disciplines: hence we easily move from economics to social theory, philosophy, psychology and pedagogy. Since the book critically summarises previous research on topics, services and public services issues, it does the job of a textbook. However, it does much more, with each chapter introducing new ideas and ways of exploring public services. As the only book (to the author's knowledge) on Marxism and public services, this is a fresh way of exploring the world of public services.

1.5 Structure

Each chapter is self-contained. After the first five chapters, nothing is lost by skipping around to what most interests you. After outlining issues facing public services, chapters summarise the results of research, key concepts and why issues remain unresolved. Chapters then identify Marxist concept approaches that offer new insights and solutions to the issues facing public services citing Marx's own work alongside later and latest Marxist research.

Figure 1.1 illustrates the book structure. Each chapter is self-contained, inviting the reader to pick-n-mix, going to what appears most interesting, while readers less familiar with research on public services and/or Marxist theory will benefit from reading from the beginning. New ideas supporting new thinking might come up in unexpected places.

Conceptually, the book seeks to draw together in one place, a wide perspective of research on public services and Marxist theory showing the relevance of Marx's ideas today, especially on use-value and the family. Public services are explored wearing different 'spectacles' seeking to reveal (a) an integrated Marxist perspective on public services and (b) relate this to the wide body of research and thinking around public services. The book covers most of the ground that would be found in an up-to-date textbook on public services with sections on Marxism pushing against this body of knowledge showing new insights.

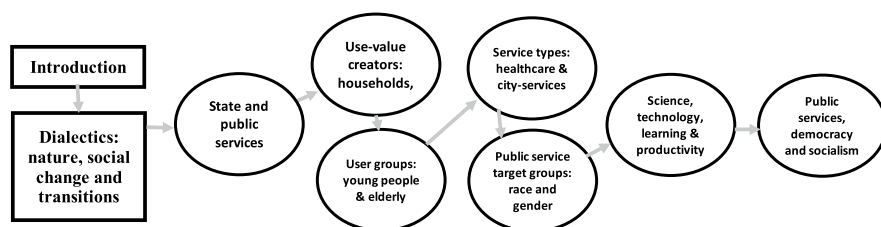


Fig. 1.1 Structure of book

Chapters 2–5: Marxism and Public Services—Adding to Marx

These chapters introduce key Marxist tools for analysing public services. Chapter 2 updates Marx's work for the twenty-first century public services arguing that public services are use-values created and distributed by non-market means, resulting in public value. This basic outlook informs the rest of the book: the nature of public services and public value being key concepts. In Chap. 3 public services are contextualised as part of the natural environment and as contributing towards a sustainable environment. Introducing the dialectical perspective and Marx's idea of a metabolic rift growing because of capitalist despoiling the environment, the chapter unpacks the critical role of public services in sustainability.

Public services are part of social change processes: for better or worse. Chapter 4 explores dialectics and social change, outlining the Marxist epistemology and criticising idealism. Social learning and a public services framework are discussed as practical Marxist tools taking examples from using big-data analytics and artificial intelligence. It details problem-solving in public services from the Marxist perspective. Chapter 5 is a historical sweep of socio-economic transitions and public services including premature servicisation, transitions and opportunities in developing countries: the different ways in which public services alter, and are altered by, societies. These five chapters provide the 'starter kit' in our Marxist toolbox.

The following chapters are in sets: thematic standpoints from which to look through the Marxist lens at public services.

Chapters 6 and 7: The State and Public Services

These chapters look position state public services are part of the social relations of reproduction; the state as a battlefield for the production and distribution of value, public services being concessions won by working-class pressure, which at times suits the needs of capitalism (for example education). We explore the Asian, African and Nordic welfare states—their historic evolution and trajectories. Chapter 7 focuses on the neoliberal (hollowed-out, austerity-driven) welfare state, posing issues such as personal responsibility, for-profit and individualised services and its associated revenue generation regimes.

Chapters 8, 9 and 10: Non-state UV Creators

Households, the third-sector (3S) and some public–private partnerships (PPPs) create use-values (UVs) that solve citizens' problems making public value (PV). These chapters argue that case for households, 3S and some PPPs creating UVs, noting that these values do not migrate into market exchange-value and instead create and distribute value using non-market means. We explore the implications of this argument for PV discourse, for Marxian economics and for strategies to go beyond capitalist relations. Each chapter considers problematic issues. For households: domestic technology, wages-for-housework, self-exploitation in family businesses, family structures and de-familisation. Chapter 9 considers the important contribution of the 3S in all societies and how it differs across cultures. Discussion criticises capitalist philanthropy, 3S activity and dis-alienation, 3S services substituting for state services and current theory of cocreation. Noting the widening scope of PPPs, Chap. 9 differentiates for-profit and not-for-profit PPPs, debate around modern monetary

theory and PPP spending, using case studies to what extent risk is transferred and value distributed and the dangers in PPPs and de-mutualisation of public services.

Chapters 11 and 12: Public Services by Target Group—Youth and Elderly

After briefly historicising older age and exploring current demographic trends, Chap. 11 examines inter-generational wealth transfers, opportunities for technologically leapfrogging elder services in developing countries and the nature of retirement, in particular we explore technologically assisted independent living in Nordic countries and the changing role pension funds play in capitalism. Social Darwinism is discussed as it applies to senior citizens and tax-value-flows over the lifetime in welfare states. We dispute the idea that elders are of negative economic value while criticising ways in which capitalism monetises the elderly. Public services for young people are the second target group chosen in Chap. 12. From a Marxist perspective we explore the changing political economy of young people, the housing crisis and homelessness (case studying Finland's *housing first* alternative), training and education for young people (and changing connections into the socialist movement), their mental health and its treatment and issues of drugs and violence facing young people.

Chapters 13 and 14: Types of Public Services—Health and City-Services

Two types of public services chosen for a Marxist perspective are Chap. 13 health and social care and Chap. 14 city-services. Whether health depends upon wealth or is available to all is a major political issue in all societies. Chapter 13 explores the meaning of ill-health and its causes, demographic trends, the range of models internationally for providing healthcare, citing the USA example, and delivery systems. It includes discussion on lean process initiatives and the role of technology, including pharmaceuticals and robotics, in healthcare. Since integration of health and social care is a major issue, especially for the elderly and disabled, the chapter discusses the challenges. All these issues are considered from a Marxist perspective, including the role of healthcare in social relations of reproduction.

Beginning with a critique of smart cities, Chap. 14 casts a Marxist eye over infrastructure, traffic and public transport, ecosystems for life such as arts, sports and innovation networks, services (private and public), waste disposal and the source of funds used by cities. In doing we criticise the current absence of democracy in many cities, value-destruction theory, and comment briefly on what Harvey and Sennett say about space in cities.

Chapters 15 and 16: Major Social Groups and Public Services, Recognition and Identity

Discrimination based on race can distort public service provision and in general terms weaken the united front of working-class organisations fighting for service improvement. From a Marxist perspective, Chap. 15 challenges those arguing that racism takes precedence over class struggle. Racism's origins, including the so-called scientific racism, social Darwinism and critical race theory, are critically reviewed. Racism and colonialism are cause and effect, rooted in notions of superiority and domination, even within republican and liberal forms of racism; example

of which we discuss along with how caste, tribal and ethnic racism take hold and flourish. Arguing for open borders, issue around international migration and modern-day slavery are discussed alongside the benefits of cross-cultural interactions. Unpacking the notion of false consciousness, racism is theorised in Marxist terms and located as a product of capitalism. To conclude the chapter consider if racism can be unlearned and how racism is best combatted and the role public services can play, especially where deeply embedded, for example in USA racial capitalism. Other cases considered are Asian racism, Zionism and from a colonial perspective the case for reparations. This chapter and Chap. 16 on gender both cite Hegel's idea of recognition as more robustly theorising discrimination and its rebuttal than identity politics.

Chapter 16 examines gender from an out-to-in Marxist perspective unpeeling layers from the most general to localities and the role of public services. It begins by philosophising gender, a critique of identity theory and standpoint theory (knowledge is not objective and varies with standpoint). Examining women's dual oppression (home) and exploitation (work) the chapter analyses unequal labour markets, unequal pay and unequal household labour. Following potential criticisms of social reproduction theory we explore modern feminism and its relationship to public services, rights and motherhood, i.e. biology and social conditioning, including violence against women and the response of the public sector. Discussion concludes at a personal level around sexuality and love.

Chapters 17 and 18: Public Services and Science, Technology Learning Productivity

Chapter 17 considers science, technology and their effect on productivity in general and on public services in particular centred around Marx's interaction between social relations of production and social relations of reproduction. After defining innovation and Marx's optimistic yet ambivalent view of scientific discovery and technological advances which is contrasted with bourgeois theory, we explore the nature of productivity in services and difference between the public and private sector. Basic and applied R&D and university commercialisation lead to debate around the role of the state in technological change, its impact on employment and alienation, including the issue of natural capital and issues of technological determinism. This returns our debate to technology and innovation in public services and social learning in public services and the social processes by which this occurs in developed and developing countries and the potential of technology for leapfrogging into advanced services. Finally, technological change is linked to Marx's central points on the falling rate of profit.

Unleashing the potential of productive forces held back by capitalism leads to debate in Chap. 18 on transitioning to socialism beginning with the argument that while modernised public services show what is possible from socialism, there is no statist route to socialism which necessarily involves capturing and fundamental restructuring the state and establishing worker's democracy in workplaces, communities and cities, linking with democratic planning processes. After discussing how the law-of-value alters in transitions and historical experiences, we explore the

central role of public services in transition, for example providing collectivised child care, healthcare, elder care and domestic services, freeing women into liberating work outside the household. Lessons from the Soviet Union and China are explored and the weaknesses of a SIOC strategy. We consider transitioning today and the role public services can play in both developed and developing countries and why productivity enhancement is important to demonstrate the superiority of socialism.

Chapters 19 and 20: Public Services and the Democratic Society

Public services replace market allocation of resources and distribution of goods and services by planned creation and distribution of use-values, planning links today's public sector with tomorrow's planned economy. Chapter 19 historicises planning summarising the classic debate in the 1930s on socialist planning, noting that today all major companies plan their activities. Democratic planning, especially now when enabled by the AI and computer power, offers opportunities to improve efficiency while at the same time more carefully meeting peoples' needs. We briefly explore planning in Laos, North Korea, Vietnam, Cuba and China, linking planning to dis-alienation and steps towards creating abundance, allowing from mature socialism the state to wither and needs to be met without distribution using money or labour hours. The chapter discusses how public services expand with democratic socialist planning.

Our final chapter summarises the benefits of using the lens of Marxism to analyse and explore public services and their improvement discussing the potential of humans released from alienating work and relationships—Marx's rounded person. We argue that while China progresses towards socialism, there are many challenges ahead.

Typical Chapter Outline

Each chapter is around 8000 words. After 'positioning' the topic by referencing previous research, each chapter sets out issues trying always to internationalise the public services problems. A critical review of current research, facts and trends is then followed by a discussion on the Marxist perspective seeking a new outlook for the topic.

References²

- Avineri S (1968) *The social and political thought of Karl Marx*. Cambridge University Press, Cambridge
- Banaji J (2010) *Theory as history*. Haymarket Books, Chicago, IL
- Bernstein B (2000) *Pedagogy, symbolic control, and identity: theory, research critique*. Rowman & Littlefield, Lanham
- Billig M (1996) *Arguing and thinking—a rhetorical approach to social psychology*. Cambridge University Press, Cambridge
- Bloom SF (1947) *The world of nations: a study of the national implications in the work of Karl Marx*, vol XX. Columbia University Press

- Blumenberg H (1985) *The legitimacy of the modern age*. MIT Press, Cambridge, MA
- Blunden A (2012) *Concepts—a critical approach*. Haymarket Books, Chicago, IL
- Brown W (2017) *Walled states, waning sovereignty*. Zone Books, New York
- Carchedi G, Roberts M (2023) *Capitalism in the twenty-first century—through the prism of value*. Pluto Press, London
- Cheng E, Wang G, Zhu K (2019a) *The creation of value by living labour—a normative and empirical study*, vol I. Canut, Berlin
- Cheng E, Wang G, Zhu K (2019b) *The creation of value by living labour: a normative and empirical study*, vol II. Canut International Publishers, Berlin
- Chernev B (2017) *Twilight of empire: the Brest-Litovsk conference and the remaking of east-central europe, 1917–1918*. University of Toronto Press, London
- Ellner S (2019) *Latin America's Pink Tide*. Rowman & Littlefield, London
- Engels F (1895) *Dialectics of nature*, (accessed 201031) available at <https://www.marxists.org/archive/marx/works/download/pdf/dialectics-nature.pdf>
- Erasmus D (1964) *The Essential Erasmus*, Penguin, London
- Foster JB (2000a) *Marx's ecology—materialism and nature*. Monthly Review Press, New York
- Foster JB (2000b) *Marx and internationalism*. Monthly Review. <https://monthlyreview.org/2000/07/01/marx-and-internationalism/#:~:text=The%20character%20of%20Marx's%20internationalism%20was%20defined%20by,were%20many%20traces%20of%20cosmopolitanism%20in%20his%20thought>
- Foster JB (2020) *The return of nature: socialism and ecology*. Monthly Review Press, New York
- Friedland WH, Rosberg CG (eds) (1964) *African socialism*. Stanford University Press, Stanford, CA
- Habermas J (1986) *The theory of communicative action: Vol 1: Reason and the rationalisation of society*. Polity Press, Cambridge
- Hook S (1963) *From hegel to Marx: studies in the intellectual development of Karl Marx*, Columbia University Press, NY
- Ilyenkov EV (2020) *Intelligent materialism—essays on Hegel and dialectics*. Haymarket, Chicago, IL
- Kamenka E (1969) *Marxism and ethics*. Palgrave Macmillan, New York
- Kinder T, Stenvall J (2021) Public value and public services in the post-virus economy. *Public Sector Econ* 45(3):329–361. <https://doi.org/10.3326/pse.45.3.x>
- Kinder T, Stenvall J (2023) A critique of public service logic. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2023.2182904>
- Kinder T, Stenvall J (2024) *Problem-solving and learning for public services and public management—theory and practice*. Springer, Cham, Switzerland. <https://doi.org/10.1007/978-3-031-43230-9>
- Lafargue P (1890) *The evolution of property*, Swan Sonnenschein & Co, London
- Lenin VI (1918/1965) *On the famine: a letter to the workers of Petrograd*. In: *Collected works of Lenin*. Progress Publishers, Moscow, vol 27, pp 391–398. www.marxists.org/archive/lenin/works/1918/may/22b.htm
- Löwith K (1982) *Max Weber and Karl Marx*. Macmillan, London
- Luxemburg R (1900/1982) *Reform or revolution*. Militant Books, London
- Manguel A (2010) *A reader on reading*. Yale University Press, Yale
- Marcuse H (1943/1964) *Reason and revolution*. Oxford University Press
- Melotti U (1972) *Marx and the third world*. Macmillan, London
- Mészáros I (1995) *Beyond capital—towards a theory of transition*. Merlin Press, London
- More T 1529 (2018) *Utopia*. Cambridge University Press, Cambridge
- Ollman B (2003) *Dance of the dialectic*. University of Illinois, Chicago, IL
- Ricardo D (1821) *On the principles of political economy and taxation*. <http://faculty.econ.ucdavis.edu/faculty/gclark/210a/readings/Ricardo.pdf>. Accessed 19 June 1996
- Richards IA (1965) *How to read a page*. Beacon Press, Boston
- Roberts M (2016) *The long depression—how it happened, why it happened and what happens next*. Haymarket Book, Chicago, IL

- Roberts M (2020a) Marx 2000—his contribution to political economy. Lulu.com, London
- Roberts M (2020b) Fredrich Engels—his contribution to political economy. Lulu.com, London
- Roberts M (2021) The rate of profit. <https://thenextrecession.wordpress.com/2021/08/25/the-rate-and-the-mass-of-profit/>
- Said SAM, Samir AM (1972) Arab socialism. Blandford Press, London
- Sen A (1999) Commodities and capabilities, OUP, Oxford
- Smith J (2016) Imperialism in the twenty-first century—globalisation, super-exploitation and capitalism's final crisis. Monthly Review Press, New York
- Streeck W (1992) Social institutions and economic performance. Sage, London
- Timpanaro S (1975) On materialism. Verso, London
- Vygotsky LS 1934 (2008) The collected works of L. S. Vygotsky. Cambridge University Press, Cambridge, UK, vol 5, pp 187–205

Chapter 2

Public Value: How to Make It and Measure It?



Abstract Marx focused on the exchange-value of commodities: he was concerned to show that capitalism expropriates surplus-value while being crisis prone. This chapter unpacks the other part of his definition of commodity (use-value) meaning useful wealth solving problems, utilising the gifts of nature, for example housing, transport and education. It shows how individual use-values (UVs) from public services aggregate to form public value (PV), now often the dominant form of value production. $UV = PV$ and can be measured (using objective and subjective metrics) as an alternative to crude and problematic GDP, PV can be created by migrating citizen valueS-2-value. Rejecting the neoliberal argument in public management theory that service users, not providers, create value, the chapter shows through examples how democratic planning can better release the potential of technology and innovations in services than privatisation, supporting Jansson's (The economics of services—micro-foundations, development and policy. Edward Elgar, Cheltenham, 2013) argument for higher taxation and expansion of HEC.

Marx was concerned to show that far from capitalism being an efficient and self-correcting system (as Economics' efficient market hypothesis claims), capitalism is in fact inherently unstable and prone to crises. He does this by demonstrating how accumulation of profit by capital is the motor of capitalism and scientifically proves that accumulating capital replaces labour, and since labour is the only source of values, this results in a falling rate of profit tendency and insufficient opportunities for profitable investment. An important part of the capitalist state's effort to support capital accumulation is creating and using public value (PV).

His 'germ-cell' or essential unit in his system is the commodity, which he explores dialectically; both abstractly (the value viewpoint) and concretely (tangible good or service). He defines a commodity as having a use-value (UV): by combining labour with natural artefacts a human problem is solved, for example producing pans from metals, allows cooking. In capitalism, the UV sometimes migrates into a market exchange-value (EV), which, when sold on the market, allows the capitalist to recover the constant capital (capitalist's input), the value paid to labour AND to realise the surplus-value created by labour but not paid to them

and instead expropriated by the capitalist: a money-commodity-money (M-C-M') cycle in which *money makes money*—the capitalist's capital self-expands (valorises) by expropriating value created by labour. Abstractly the rate of profit is $s/(c + v)$, i.e. the surplus-value (s) as a proportion of the constant (c) and variable capital (v) creating the commodity (MECW:37:Cpt-3; Moseley 2015). Note, this is an abstract value formulation of the rate of profit. In concrete terms, the natural environment and the widening metabolic rift show capitalism despoiling nature and taking more than is sustainable. Other UVs do not migrate into EVs and remain non-market solutions to problems in the form of public services.

Since capitalism requires customers for commodities, the concrete commodity must meet customer desires/requirements, i.e. to migrate customer values into value (Vs2V): it must be wealth that is useful, a UV. Marx's commodity implies relations of production and (social) reproduction that are both necessary and contradictory. Not only does capitalism hit crises because of the falling rate of profit, crises also occur between the needs of citizens (who are also labour) and what capitalism (as a whole) is prepared to pay labour and spent on reproduction, which includes public services. Marx provides a scientific explanation of why capitalism hits crisis (an additional reason is the monetary system, discussed below). His UV-EV analyses for-profit commodity production. For public services we pause at UVs, unpacking their meaning: equating them to the abstraction public value (PV). Public services UVs *do not* become EVs, *do not* enter the profit cycle, however as UVs they solve problems for the public, supporting social relations of reproduction. This chapter argues three points.

- Marx's concept of UV can be interpreted (though he did not), as public services, i.e. useful wealth, created and distributed by non-market means as wealth that solve citizens' problems. Further, we argue that not only formal public services create such UVs, but UVs are also created by households, the third-sector (3S) and some public-private partnerships (PPPs).
- Capitalism only uses technological advances suiting profit-making: it holds back the potential of technological change. Global warming could be reversed by ceasing carbon emissions and massive investment in clean energy: it is not because there is more profit in oil and coal (Roberts 2024). In the same way, technological advances that could benefit citizens as public services are held back, by under-funding the public sector (think of research into minority illnesses). Public services are left to clear up the pollution caused by private company externalities—resources that could otherwise be spent on improving services.
- Public services are paid for out of taxes and charges, drawn from the social surplus. Private property is planless, wastefully competitive and prone to periodic crises. Planned, publicly owned activities avoid waste, allow service integration and provide better value-for-money by spending the social surplus.

For Marx, UVs are the concrete form of commodities, which in their abstract form are analysed as EVs and realise SV through exchange on markets for money. Marx's interest in UVs is a journey-stop to the destination of explaining exploitation

and capitalism's instability. This book stops at UV, acknowledging that UVs have no market value, no SV from the viewpoint of the capitalist. Still, as social reproduction reminds us, the production of UVs by public services, families, 3S and perhaps PPPs is essential to recreating capitalist social relations. Why are UVs essential? Because in their concrete form they help solve life's problems for the people using the concrete goods and services, who may be blissfully unaware that for-profit commodities are theorised as having exchange and surplus-value.

The claim here is that public service UVs have non-market value directly for those consuming the goods and indirectly to capitalism by recreating capitalist social relations. This claim is disputed by highly esteemed Marxists such as Carchedi and Roberts (2009:164) *concrete labour has no value*. Arthur (1986, 2013) says UVs have no value, and Murray (2016:468) *Value is intrinsic to the commodity not as a use-value—it is not one more natural or physical property—value is purely social and supersensible*. Here we are focused on the concrete aspect of UVs in public services, UVs not migrated to EVs and why these UVs are valuable as concrete goods, wealth helping solve life's problems. Instead of the M-C-M' commodity circuit, here we are focused on the UV concrete product circuit: money-consumption-money, almost 50% of products, that Marx says *falls out of circulation into consumption*.

Learning Objectives

LO-2.1: Appreciating why PV is a use-value (UV) involves understanding that it results from working on natural artefacts (the physical *free gifts* of nature), creating wealth that solves problems for citizens. This solution might be goods (a pharmaceutical or tram or street lighting) or a service (paying for a sports booking, learning in a classroom). PV is an alternative way of approaching public services than new public management (NPM) capitalist efficiency.

LO-2.2: After historicising the importance of user-led innovation (von Hippel 1982; MacKenzie and Wajcman 1985), the role of coproduction is critiqued both as an essential feature of all service activity and as a 'third-way' (Giddens 1984) alternative to public sector PV creation. Leibenstein's (1966) work on allocative efficiency illustrates how coproduction simply shifts costs from the organisation to the citizen. Public management theory is criticising, for example, Osborne's (2021) emergent theory of *public service logic* is evaluated as a post-NPM research paradigm and rejected, tracing its connections with Vargo and Lusch's (2014) neoliberal service-dominant logic. This book insists that value is created by labour: the patient not the Doctor, the pupil not the Teacher. We reject as idealism 'post-capitalist' argument for *audience labour* in Fuchs (2015). Interplay between social relations of production and social relations of reproduction are one of Marx's key points of activity, the book shows how without UVs in social reproduction capital accumulation is impossible.

LO-2.3: PV as a stepping-stone from capitalist social relationships is assessed along with Jansson's (2013) argument for higher taxation and expansion of HEC (health, education and care) services. Using examples from recent research on artificial intelligence (AI) in local public services points to the social implications of extending the mutuality sphere as a relation of reproduction. However, we carefully note that simply extending public services will not create socialism, which requires taking ownership of the means of production and completely restructuring that state to support active citizens' democracy, including in workplaces.

Route Map

The chapter is structured in four sections beginning, as the French philosopher Michel Montaigne advised, with conclusions: stating why PV are UVs created and distributed outside of market and money relations, in the mutuality sphere of activity. Section 2.1 evaluates from a Marxist perspective, theorisations of PV in public management and public policy (learning objective 2.3). A third section explores and examples the measurement of non-market priced UVs pointing the way to further research and the idea of values-to-value. A final section considers PV into the wider Marxist framework including the labour theory of value theory, the natural environment and how these relate to policy arguments for expanding public services.

2.1 What Do We Know About Value?

What Is Value?

From the viewpoint of *economic* value creation a diamond or piece of metal in its natural form is valueless as is any other naturally occurring artefact. Of course, from a non-value perspective all parts of nature are to be treasured. Back to value creation. When a human works with natural artefacts creating something useful (for themselves or others), the object acquires UV. It is labour that adds the value. The new object can be a good or a service, somewhere on a spectrum combining tangible and intangible elements (see Kaivo-Oja et al. 2024) on services as always having tangibility).

Distinguishing values from value enables valuing natural heritage and protecting the natural environment for future generations, without conflating and mixing up values (preferences and predilections) with abstract value (analytical concept). From a value viewpoint, the UV is not a commodity and would only become a commodity if created on the instructions of a capitalist, using their capital, and by labour employed by a capitalist. In that case the UV migrates into an EV and is sold on the market, for money, to realise the value from labour embedded within it, including the SV appropriated by the capitalist employer. Marx covers these arguments in

Chap. 1 of *Capital* (MECW-35), also Mehrotra (1991). Marx goes on in Chap. 6 to argue that part of the commodity value realised is SV.

For now, our interest is in value created in non-market, non-money relations because this value-form captures the nature of public service value. Note that here we are extending, adding to Marx's original formulation. The UV created in public services is not created and distributed within capitalist, market, money-exchange relations, it is not a commodity; UVs remain UVs, created and distributed not-for-profit. Public services are UVs, meaning wealth that solves a problem, publicly provided without the mediation of money ($PV = UV$), part of the social relations of reproduction supporting and interacting with social relations of production. This wealth combines tangible and intangible elements, for example lessons delivered in school, a meal delivered as (for example) part of care for the elderly or a traffic management system. The public service UV is created resulting from decisions taken by a public body, created by a public servant/employee, using equipment that is a public asset and then distributed according to public body decisions. Public services UVs can/should be subject to democratic control and accountability; they are not controlled by market rules. UV has various attributes, Chap. 6 explores service design: being useful, usable, usage or usability. For now, we note that the public service UV solves a problem the citizen had without the citizen needing to be an economic agent having money, s/he receives the UV as a public service PV. Chapters 6–10 extend this argument—that UVs and PVs are also created by households, the third-sector and in some public–private partnerships.

Note that in extending Marx's analysis of UV to public services we are retaining all his important concepts. Labour is the source of value in the UV and its contribution is measured objectively by time spent and is assumed to operate with average efficiency (socially necessary labour time), paid wages that will reproduce the labour itself and relations of reproduction. Productivity is dictated by the capital equipment available. For example, delivering pharmaceuticals by e-prescription is more efficient than physical collection. Note also that the value is created by the producer of the UV and not by the user. Finally, like Marx, the view of UV created by labour presented here has a long historical lineage to Confucius (Li 2003), Aristotle (3rd Century BCE), Aquinas in the seventeenth century, Locke (1689), Adam Smith (1776), and David Ricardo (1821). Sharing UVs was part of the *moral economy* identified by Edward Thompson (1965) in the pre-capitalist social relations analysed in *The Making of the English Working-Class*. The Commons (Ostrom 1973) is another phrase used to indicate socially shared value, however, as we shall see it is associated with third-way, liberal policy. If paid-for public services (e.g. leisure booking, hire of halls for celebrations, etc.) revenue exceeds costs, this is a social surplus: it cannot be profit without capitalist employment and sale on competitive markets.

As the nineteenth-century industrialisation in Britain expanded, capitalists could not countenance the LTV. Ideologues emerged arguing that capital not labour adds value and that distribution via the market is rational. Moscati (2019) and Foster (2000) are good histories of these changes. Polanyi's (1944) *Great Transformation* suggests the *double movement* from denying that labour is the source of value to

then arguing that capital and land are sources of value. Capitalist economics is today based on the idea of maximalising utility, a philosophically questionable approach: feeding Christians to lions offers the greatest happiness of the greatest number! Marginal utility is *only* subjective and psychological, featuring no objective measure (such as labour hours). Instead, it either ranks utilities (Menger's 1871 ordinal utility) or pretends with Jevons (1871; Maas 2005) that marginal utility preferences can be measured using indifference curves. Enter *homo economicus*—rational economic man who has co-consumer relationships and no other relationships and goes through life rationally choosing. Add all the rational choosers together and we get the efficient market hypothesis: the self-adjusting markets economists fantasise over (Galbraith 1991:285; Boland 1992). This is idealism at its crudest. The silliness of this approach is shown in the work of Nobel Economist Becker (1973) who argues that even social relationships can be given an economic value: the financial value of democratic vote (2002), wife and children (1991). In *Predictably Irrational*, Ariely (2008) notes that the cost of a life in the Iraq war was \$US 7-million. How much for a human organ, want to sell your baby?

Marx rejects the *Trinity Formula* explanation of value distribution. This is the idea that each factor of production creates value; thus, land receives rent, capital receives profit and labour receives wages. As Marx points out (Capital-III, part-VII) since only labour creates value, rent and profit only arise from surplus-value expropriated from labour. Labour is the only source of value, when it is applied to the free gift artefacts nature provides. For Marx the exact distribution of value between capital and labour is the result of class struggle (see Moseley 2015; He 2019). In Marx's time pseudo-left economists such as Hodgson joined Adam Smith in promoting the trinity formula. Sadly, most left economists today continue to promote the same reactionary idea.

Remember this is the economics that dismisses Marx and 'proves' we cannot afford public services. This is the society of greed and maximising positional goods, i.e. for show not need in which (the Easterlin [1995] paradox) more possessions detract from happiness rather than add to it; is valid only for the very rich. Rational economic person economics results in the greed culture of neoliberal economics, which this book counterposes to public services. Before returning to sanity, to foreshadow arguments from Chap. 3, note that in the world of neoliberal (maximum utility) economics the company does not exist in a social setting, they can pollute (negative externalities) as they wish, as Pigou (1920) pointed out. For example, Patel (2011) shows that the real cost of a US\$ 5 Mac-burger is US\$ 200 when harm to the natural environment is included in cost. In the neoliberal world everything has a price. Buller (2022) cites economists valuing each whale on the planet at US\$ 2-million. Christophers (2018, 2023) shows how neoliberal economics justifies the sale and privatisation of common land. No wonder that in the neoliberal era what

Marx calls the *metabolic rift* is widening between what the planet can sustainably provide and what is taken from it (Foster 2022).

Returning to the sane world of UVs, values created and distributed in non-market relations, designed and planned to solve problems for citizens: UV becomes PV created and distributed by non-market means. As we show (Chap. 6) this occurs in the formal, statutory, tax-payer funded public sector. PV can also be created as UVs within the family (especially education), by the 3S (especially community activities) and at times in PPPs involving the private sector (when their involvement is for-profit). For now, let's think of $PV = UV = \text{wealth solving citizens' problems}$. UVs created by families, the 3S and PPPs differ from those created by the formal public sector: the boundary between non-market and market can be shifted and these services privatised. This could also be true for PPPs if they become purely profit-oriented. However, family created UVs can only be marketised on a small scale (e.g. selling surplus vegetables) or during early urbanisation periods (when capitalism is only beginning to establish markets). We discuss family businesses in Chap. 8. UV creation is a direct social relation, not one mediated through the market, instead, most PV social relations are instead mediated by taxation (redistributive) and public policy decision takers (consciously planned by those with power). The labour involved in creating UVs is measurable in labour hours, also the qualitative experience of using UVs (solving problems) has a 'worth' to individuals, and their emotional (subjective) feelings about the solution to their problem can be studied, all issues discussed below.

Aye for the Common Weal!



For almost 20 years the author was a leading local Councillor in West Lothian, Scotland. Its coat of arms is shown, *Aye for the Common Weal*.

2.2 Value and Public Value

The idea of PV originated in Ostrom's (2008) work. Hardin (1968) had argued there is a *tragedy of the commons*: that people selfishly, for personal gain take more than their share of public facilities (such as common land), which creates over-consumption and eventually destroys the commons. Hardin is arguing that selfish

human nature guides conduct, and that people are basically bad and need market discipline to control the distribution of scarce resources: incentives and market discipline are the best governance arrangements. Marx disputed Darwin's idea that species are always competitive and never cooperative. Elinor Ostrom disputes Hardin, pointing to examples of cooperative behaviour creating PV by democratically negotiating rules of access and use and a wide range of hybrid delivery forms; much wider than a state-market binary choice. In economist's terms excludability and subtractability are matters of degree and polycentric not binary and centralised. Her examples include agreements amongst fishing communities not to over-fish. Her wider argument is that PV maximisation does not have to depend on markets and incentives and can instead result from social agreement. Pope (2004), Longo et al. (2015), Angus (2023) show that managing the *commons* Newfoundland fish stocks were important sources of primitive accumulation providing capital at the birth of capitalism in Britain (along with profits from slavery). The *commons* lasted for centuries (see *The Tragedy of the Commodity* by Longo et al. 2015).

Citing Ostrom, Moore (1995a, b) used her arguments to oppose new public management (NPM): the idea that markets and market efficiency should be adopted throughout the public sector to maximise PV. Moore argued, what now appears a wholly populist view that PV is giving the public what they want. He also claims (2014) that from publicly owned assets only collective PV can be generated not individual PV. This is a limitation: he views PV as the equivalent of shareholder value. To pursue his analogy, shareholders may accept capital appreciation without value distribution, however, they retain the right to realise their value. Disputing Moore's argument, PV cannot be limited to collective value: individual citizens expect to benefit from PV from the services they enjoy. Benington and Moore (2010) refers to this line of argument. Mazzucato and Ryan-Collins (2022) attempt to reconcile Ostrom notion of PV by insisting that all value creation involves both public and private contributions. While directly challenging (with Ostrom) the notion that PV only arises from market failure, they fail to identify the source of value (labour) and instead accept the trinity formula piteously critiqued by Marx.

Ostrom and Moore along with Mazzucato and Ryan-Collins (2022) are imprisoned in a trinity formula approach to value drawing them towards value production and distribution relying on the rational expectations of the sort Lucas (1972) favours, as invisibly guiding value distribution to some preferred equilibrium, instead of class struggle deciding its distribution. Far better, the *new public service* starting point of Denhardt and Denhardt (2000, 2011, 2015), Denhardt (2001) and Keast (2003, 2021), centring on democratic principles such as serving not steering, that insists on citizens being involved in deciding what PV to create and how then it should be distributed. PV as a UV for Marxists immediately poses the question of democratic control and planning.

The $PV=UV$ = solutions to problems perspective follows Marx's foundational point that value can only be created by labour and in doing so challenges the trinity formula of value creation and neoliberal notions of value enhancement resulting from deregulated markets and a small state. $PV=UV$ insists on democratic planning (mutuality) as the only way to identify and meet citizen's needs. Taking this

perspective, a clearer view is possible of what we know about PV and how our learning objectives can be understood. This limitations of the coproduction approach include (a) being neutral over public or private governance, when only services created inside the mutuality boundary can be planned, and (b) coproduction individualises service contribution, whereas our PV approach emphasises collective value creation (distributed to individuals): collectives being part of the working-class, and (c) some coproduction arguments (such as Osborne 2021) deny the LTV and instead argue service users only are the source of value in public services: the patient not the Doctor, the pupil not the Teacher.

Box

Drawing on data from 43 countries 2000–2014 across 56 industries, Rotta and Kumar (2024) find that a metric similar to organic composition of capital (OCOC) outpaces the rise in profits leading to a declining rate of profit. They also correlate declining profits with rising unproductive capital, i.e. finance, retail and property. Isolating the productive sector allows their analysis to pick out new profit creation which peaked at 13.7% before the 2008 crash, then declining to 12.7% by 2014, saying *The decline in the world rate of profit was therefore driven by the faster growth of the global c/v compared to the growth in s/v, as Marx expected*. Their method allows disaggregation of figures between and within countries. They find that China's global value-added share increased from 5.3% to 19.3% in a 15-year period, during which the USA's share fell from 30.1% to 22.3% and Japan's from 16.3% to 6%, Germany falling from 6.6% to 6.0%. China's stock of productive capital increased from a 6% share to 23.6%, the USA falling from 24.8% to 17.4%, Japan 21.2% to 8.8% and Germany from 6.5% to 4.6%. USA rentier income, indirectly taking a share of SV created in China remained high.

Marx predicts the most advanced countries will be characterised by high rates of SV, high OCOC and low rate of profit. Yet SV rate was higher in poorer countries reflecting their relatively lower wages (and lower labour productivity). Roberts (2016) suggests these findings affirm those of he and Carchedi and Roberts (2009) on higher OCOC in advanced countries and higher rates of SV in developing countries.

Here previous research is reviewed structured by four themes, beginning with PV conceptualised as efficiency, primarily in recent times the introduction of NPM and reaction to it. Secondly, PV arising from involvement in democratic processes and institutions. Thirdly, the theme of involvement of citizens and service users either in democratic processes or in service design and delivery as enhancing PV. Fourth, we consider the fundamental responsibility of local public agencies to protect the natural environment as a living condition for future generations: natural heritage as PV. Finally, dialectics are briefly introduced.

2.3 PV as Efficiency

Weber's (1979) rational bureaucracy is a non-proprietary, expert hierarchy, disconnected from democratic control or interference while taking rational, rule-based decisions without corruption and nepotism. Mimetic forces support diffusion of bureaucratic techniques, though not to the extent of becoming self-regenerative. Bureaucracy is not a class; it is a self-serving elite, as Michels (1911) argued in his pessimistic *iron law of oligarchy*; within a bureaucratic elite Merton's (1940) bureaucratic personality flourishes. Bureaucratic hierarchy focuses on process-efficiency rather than outputs or PV. It was an advance on personal control or corruption and would be an advance for those countries in which corruption is prominent, however, there are no deterministic 'stages' of change, and the sort of citizen engagement and democratic oversight proposed by Denhardt and Denhardt (2015) and Keast (2021) may allow radical change. Bureaucracy is more efficient than tyranny, however far less efficient than democratic planning.

Exclusion from GDP

US-based economics theorised the unfair treatment public services receive in policy making compared with the private sector. When Simon Kuznets (1955; see Acemoglu and Robinson 2002) was asked to create a method for calculating GDP, he argued that public service activity be included, however, President Roosevelt rejected the idea, treating the public sector as a transfer payment making only the private sector productive (Coyle 2011, 2014; Jackson 2017). More damaging, Baumol (1967), a precursor of neoliberal economics, received his Nobel Prize in part for the argument that public services are *necessarily* less efficient than the private sector (less labour-saving technology in services). He refused to accept improvements in quality as part of productivity, restricting it to only quantitatively measured items. Bourgeois economics, a science based on rationalistic hedonism, is incapable of fairly representing public services.

Baumol (1967, 2002) argued that since services are less prone to automation than manufacturing, they will always have lower productivity. He says this is especially true of public services, which lack market incentives. This is called *Baumol's Cost Disease*. His argument was entirely quantitative, he refused to accept that quality of service played any part in evaluating productivity. In fact, (a) productivity in public services is often highly competitive, (b) service quality always matters, and (c) public services like all services always includes some amount of tangibility that can be automated.

New Public Management

After the defeat of fascism in 1945, partly to head off more radical social change and partly as resulting from election returning left-wing Governments, Europe embarked on building welfare states. Esping-Andersen (1990) later categorised

European welfare states as (a) voluntarist, (b) mixed or (c) Nordic: meaning (c) cradle-to-grave, (b) partial service coverage and (a) dependent on family support. Any debate on public services in Europe should be framed in terms of success: education, health/longevity/quality of life (housing, diet, medical care). For example, British life expectancy (at birth) was 66 for men and 71 for women in 1950 rising to 79 and 83 by 2007 a great achievement of welfare states, especially housing and healthcare. Faced with neoliberal dismantling of welfare, life-expectancies are now falling. A better educated and healthier workforce suited employer needs as manual worked shifted to service occupations. NPM is the neoliberal instrument used to introduce market discipline into public services and to transfer functions and assets from the not-for-profit public sector into the for-profit private sector.

Outside of Europe, and especially in colonies the struggle was for independence: life expectancy in Africa was only 36 years in 1950, reflecting the absence of elementary welfare under colonial regimes. Asian economies often followed the Japanese development state model (Woo-Cumings 1999; see Chap. 6), i.e. elite bureaucracy guidance sacrificing current consumption to export-led growth, while South American economies favouring import substitution coupled to low levels of consumption postponed welfare growth. China was preoccupied fighting Japanese fascism and KMT warlords. Research in Ghana (Iddrisu et al. 2014) identified ICT infrastructure, availability of professional educators and financial support for students as key constraints.

European welfare states, exploiting value extraction from colonies and less developed countries, and benefiting from relatively high levels of taxation and the demographic dividend of baby boomers during the post-war boom period (until about 1973), were able to improve growth. As Roberts (2016) explains the end of the post-war boom was characterised by falling rates of private sector profits, colonial independence and the end of the demographic dividend slowly welfare expansion turned into contraction. Galbraith (1995) pointed to a *culture of contentment* meaning middle-class resistance to higher tax levels, and the stagflation resulting from ageing populations (later termed Japanification). By the 1980s the stage was set for macroeconomic policies redistributing value from labour to capital; in the realm of public services, the onset of NPM explored in more detail in Chap. 6.

Hood (1991, 1995) identified seven components of NPM. These were later disputed (Ferlie et al. 1996), evolved (Lane 2000) and contextualised (Bryson et al. 2014), however remain the classic exposition of NPM. Hood's components include (a) bundling public services into units for privatisation; (b) contracting out using compulsory competitive tendering of services and internal (quasi) markets; (c) the transfer inwards and use of private sector management styles; (d) adopting the *more from less* frugal use of resources; (e) hands-on top management; (f) measure and manage targets and standards and (g) customer orientation towards outputs. As Kinder et al. (2021) argue, NPM amounts to a shift of governance from mutuality to market, from commons to neoliberal mediation using money, epitomised by Thatcher (UK PM) and Reagan (USA President), from collective services to the atomised individual consumers found in public choice theory (Buchanan and

Tullock 1962). NPM is an ideological attack on public services—much more than a toolkit of techniques described by Hood, etc.

A common misunderstanding around welfare policy is that it erodes personal responsibility. Hence right-wing attacks on the so-called *dependency culture* and Reagan's (fictitious) *welfare queens*. Working-class culture features a strong work-ethic, including responsibility to work, and as Braverman (1974) argues seeks to defend areas of responsibility against management automation. Responsibility is an important theme in craft Trade Union culture. This form of responsibility spills over in attitudes towards the welfare state: an obligation where possible to contribute rather than only take out of the commons. Responsibility is then socially relational: honouring obligations gives social status and 'belonging'. Dismantling welfare upsets these social relations, just as NPM targeting alters workplace roles, relationships and responsibilities. Democratic medicine emphasises personal responsibility, e.g. the alcoholic or drug user for addiction, the obese person for weight. As the Soviet state unravelled in the 1990s, Simonov (Chair of the Moscow Foundation for Defending Glasnost) commented, *Nobody is responsible for anything*. Managers in some public sector workplaces faced with unrealistic NPM targets echoed the view of Adam and Balfour (1998) that responsibility without power amounts to organisational evil.

Critiques of NPM abound. Power (1997) criticises targets and tick-box compliance culture. Lapsley (2009) asked if NPM is *The Cruellest Invention of the Human Spirit*? NPM was later supported by social democratic governments (Giddens 1984), framing it as 'reform' of public services—a cover for cuts and a macroeconomic transfer of value from the public to private sector, and from capital to wages. It became enmeshed with digitalisation and adoption of e-services, resulting in a boom for consultants (Czarniawska-Joerges 1997; Mazzucato 2018). Spreading international as an ideology (Lane 2000), NPM is not a single package of measures, Ferlie et al. (1996) capture some of this NPM evolution. Its ideological core is that reduced state expenditure allows tax cuts for the rich what would result in investment and trickle-down economics: trickle-down growth arguments demolished by Bauman and Lyon (2013). Neoliberalism seeks to confine the public sector to areas of market failure (i.e. would fail to deliver profitability) and therefore shift the boundary of mutuality by privatising public services, limiting public sector activity to loss-making activities and minimising the stock of public assets. This too takes many forms, summarised in Osborne and Gaebler's (1993) neoliberal bible, which Chap. 7 discusses.

2.4 PV as Democratic Society

Welfare traditions in Europe grew out of voluntary groups (churches, communities; later corresponding societies and trade unions). In Britain during the nineteenth and the early twentieth centuries, local authorities began providing health, education and housing services using local taxation. These bottom-up services created a new ‘commons’ later taking the form of statutory ‘rights’ often complemented by non-state services. Such bottom-up, locally negotiated rules and standards form the governance-as-legitimacy featured in Kinder et al. (2020) and were the foundations on which the post-1945 welfare state PV was built. The range of services varied with context and culture, as did the pace of creating welfare. For example, Finland trailed other Nordic states, and like China today, expanded welfare only as the economy flourished.

Services such as health, care, housing, education and infrastructure (bridges and roads) grew bottom-up; quite different from the public services Adam Smith (1776) had in mind, which were national level military defence, education and infrastructure (based on his thought on market failure). Later chapters explore democratic planning: Chap. 19 on accountability, 18 on social transitions and Chap. 17 on the use of advanced technology such as AI to support democratic planning.

Denhardt and Denhardt (2000) and Keast (2021) argue that democratic planning is superior to market institutions for efficiency and effectiveness: doing things right *and* doing the right thing. NPM squeeze costs but from inadequate service models, for example the ‘Dutch’ school of NPM, represented by Kooiman (2003) emphasises tightly managed networks often reliant on central Government resources using top-down service design often mis-hits citizen needs. Such *dilemmas of engagement* are overcome by democratic planning, however, as Keast points out, this requires an educated and active citizenry. Coordinating top-down and bottom-up planning Denhardt and Denhardt (2000, 2011, 2015; Denhardt 2001) notes offers the potential of efficiency and effectiveness.

Examples of Effectiveness Beating Efficiency

Squeezing costs from fragmented health and social care services for the elderly is less efficient than re-modelling services as integrated and supported by technologically assisted independent living (Kinder 2000). Squeezing the cost of doctors is less efficient than preventative healthcare as in the example of the Oulu Ring (Kinder et al. 2023).

Third-way theorists (Giddens 1984; Ostrom 2008) argue that it is pragmatic to simply choose which governance best provide services and these could be private or public, an argument with three flaws. Firstly, the scope of services is evaluated: many services are best joined up and integrated interpenetrating at multiple levels, best sharing a single governance arrangement. Secondly, short-term profiteering

may be at the cost of long-term sustainability. Thirdly, private sector services moved outside the realm of mutuality are no longer subject to democratic planning, hence the importance of ownership and control. Polanyi's (1958) *Great Transformation*, double movement is oft-cited by third-way theorists to justify de-mutualisation, yet Polanyi qualified this position noting tensions between market planlessness and socially desirable planning. Planning is one of the gains from public ownership, allowing Preobrazhensky (1926) argued politics to decide how goods and services are distributed and not short-term profitability. He pointed to interconnections between planned resource dispersal for production and planned goods and services distribution. Rich, but planless societies are characterised by what Galbraith (1972) termed *private affluence and public squalor*. Planning efficiency and effectiveness, Jansson (2013) notes, in turn justifies higher taxes to fund expanded public services.

Denhardt and Denhardt (2000) and Keast's (2021) emphasis on democratic planning challenges the notion that NPM and capitalist relations of reproduction are naturalistic and that strategies creating uneven service distribution such as coproduction are the only alternative to markets. The case for planning is strengthened when markets allow despoiling of the natural environment (Foster 2022). Chapters 19 and 20 look in more detail at planning processes, noting that AI technologies are now available to technologically enhance democratic engagement.

2.5 PV as Coproduction

This section argues that user involvement in co-designing public services can improve their effectiveness, it rejects arguments for coproduction as a service delivery strategy creating PV.

Since von Hippel (1982), Freeman (1982) and the Edinburgh school (MacKenzie and Wajcman 1985; Molina 1997, 1999), we have understood the importance of user-led innovation. Now service user coproduction of services is commonplace: airline booking and ticketing, e-commerce search and transact.

It is important to differentiate coproduction as cognitive engagement and coproduction as a service delivery strategy.

- In reading this book your mind is active, you are thinking critically whether you agree or not. Similarly, every patient taking guidance from a doctor or pupil in a classroom is *minds-on* engaged, this is cognitive coproduction; the Teacher provides the lesson, the pupil internalises the learning (Vygotsky 1999). In a one-off project designing a new service, service users may contribute their minds-on cognitions and co-design the service. As Normann (2002) reminds us, all services being personal interactions involve a degree of cognitive coproduction.
- Coproduction as a service delivery strategy involves unpaid volunteers providing services to the public; this involves commitment, it may simply shift costs from the service provider to the service user and may lead to uneven service access or

quality, depending on whether volunteers are available across the service footprint.

Alternative narratives describe coproduction as a service delivery strategy one is a neoliberal withdrawal of the state and replacement by self-activity, the other citizen involvement in coproducing services. Neoliberal coproduction is represented by Rawls (1971) and Sandel (2020) as right-wing communitarians (both would reject the label). Citizen involvement could be represented by Giddens (1984), Mouffe (1993), Friedman (1993), Osborne (2010), Bransen and Honingh (2018): these are left-wing communitarians.

A body of public management researchers led by Osborne (2021), including (Sønderskov and Ronning 2021) argue that coproduction is a democratic and radically new public service model. Arguing that coproduction is a generalised strategy for transforming public service provision, Osborne (2021) synthesises this approach with Grönroos' et al. (2015), Grönroos (2017) services management and Vargo and Lusch's (2008) service-dominant logic, resulting in public service logic (PSL).

Grönroos (2019) takes a managerialist service management approach to public services, saying he is neutral whether services are publicly or privately provided; his concern is that individuals receive maximum PV. *The objective of public service management is to provide resources, processes and competences in such a way that they help the service users' relevant processes, and due to this help, they enable the service users to achieve their goals in a manner that is valuable to them.* Value he says is created at the point of individual service user labour, rejecting any idea of collective value creation. He insists that value is material and cannot be merely metaphoric—that only users and not provider/producers create PV. He rejects the PSL view that *value is considered to always be co-created by all actors somehow involved in a value process.* Also note that for Grönroos (2019), there is no ecosystem or constellation whereas for Osborne (2021) macro-meso-micro-sub-micro levels support value-in-use-society-production-context-exchange as an integrative ecosystem of value creation. Grönroos (2017) then is managerialist and rejects synthesis with PSL and calling for *visionary* (code private sector) leadership.

Vargo and Lusch (V&L) (2008) represent one of the dominant neoliberal trends in US private sector marketing leading Fairclough (1993) to critically refer to the *marketisation of marketing thought*. V&L hardly mention public services, focusing entirely on advanced capitalist countries, taking a neoliberal stance (low tax, small state, deregulation). Their big idea is that services have shifted from a goods-dominant logic to a service-dominant logic meaning customer orientation. On value they speak of value in-context, in-production and in-use concluding that service users, not providers are the creators of value: they argue that patients not Doctors create value, pupils not Teachers. Their big ideas (goods to service-dominant logic and only users create value not providers) are embedded by Osborne in public service logic (PSL), though he does not share their neoliberalism.

PSL synthesises these ideas and is supported by a range of researchers including Lindqvist and Westrup's (2020), Skarli (2021a, b) Røhnebæk et al.'s (2022), with others developing PSL-type ideas including Alford's (2009:680) who says that

public value is public not because of who produces it but of who ‘consumes’ it, and Trischler et al. (2023), Eriksson et al. (2020, 2023) and Røhnebæk et al. (2022).

To stop for breath: despite differing with Vargo and Lusch’s neoliberalism and Grönroos’ managerialism, Osborne’s PSL synthesises some of their ideas centring on the notion that coproducing service users are the source of value not providers of services. He says (2018:228) *Public Service Organisations do not create value for citizens—they can only make a public service offering. It is how the citizen uses this offering and how it interacts with his/her own life experiences that creates value.*

Kinder et al. (2023) reject the PSL approach. These are our main criticisms.

- Vargo and Lusch are US neoliberals who attack and diminish public services. We reject any synthesis with their ideas and especially replacing public services staff with volunteer coproducer service users.
- Grönroos’ managerialism is top-down, arguing that for value production only service users create value not providers.
- Osborne (2021:4) speaks of a *profound crisis of confidence* diminishing the contribution of public services professionals and other staff undermining campaigns for more resources into public services.
- The idea that the patient not the Doctor, the student not the Teacher create value is the post-modernist notion of *audience labour* (see Stewart and Clarke 1986; Allmer 2016; Fuchs 2015), not by knowledgeable and wise professionals. For example, it is not the singer on stage creating value, it is the clapping audience.
- Supporting working-class public service providers and their organisations is undermined if it is said that service users and not providers are the creators of value.

The strategy of providing public services using coproducing volunteers is open to the criticisms of (a) substituting paid staff by voluntary worker, (b) and simply shifting the cost from public services to service users, and (c) uneven access and quality of services since dependent on availability of volunteers.

User involvement in public service *design* is welcome, often essential. Work on introducing AI into Finnish public services problem-solving with Koskimies and Kinder (2022), Koskimies et al. (2023) found that every decision stage user involvement is necessary, justifying choices at emotional touch-points along an AI-enabled service journey.

Who creates value in PV matters in Marx’s political economy because he aimed to provide a scientific justification against exploitation of labour. It matters today for the same reason and to rebut the arguments of Baumol that public services are a drain on the economy, or neoliberalism like V&L that the public sector should be chopped. It matters in rejecting the transfer of managerialism from the private sector as Grönroos proposes. The mutuality/privatisation (governance) boundary matters because only with ownership and control can public services be integrated and planned. It matters for trust, esteem and salary rewards that public sector staff and professionals receive. Who creates value matters because it places an onus on public services professionals to seek new service effectiveness models and to support innovations improving the service user’s outcomes and service subjective experience. It

matters because PV creation counterposed to laws of market and instead animate groups and individuals in democratic planning processes and structures adding PV. Matters because PV as UVs offers an objective way of evaluating public services (labour hours), as opposed to only evaluating public services based on the subjective judgements.

2.6 PV and Natural Heritage

Whyte's (2020) argument that unless we *kill the corporation before it kills us*, our planet is inexorably heading to self-induced oblivion notes that whilst for each individual capitalist company profit-making is rational, even if destroying the natural environment, for society as a whole capitalism activity degrading the environment is destroying PV and potential UVs. Chapter 3 deals more fully with the arguments around natural capital: that neoliberal deregulation and privatisation erodes the ability of local authorities to hold the natural environment unspoiled for future generations. Indeed, at times local authorities working in PPPs with the private sector willingly transfer natural environment assets (rivers, forests, fields) from the public to the private sector in the form of natural capital investment. Marx refers to capitalism's unsustainable extraction from nature as a widening of a *metabolic rift* (in the *German Ideology*, MECW-5:66): the depletion of natural capital at the behest of financial capital; *the robbery of the Earth*.

Externalities

There are always social costs to private capital accumulation, at the most basic including the rearing and education of the next generation of workers. More directly negative externalities from company activities can be balanced against positives. These latter include benefits from goods and services produced, salaries paid that maintain families and (perhaps) in-work training and the opportunity to organise in collectives such as trade unions. Pigou (1920), noting that while exploiting the natural environment is internal to companies, degrading the environment is external to the whole market resulting in negative externalities.

Such unintended social costs/damages connected to productive processes cannot be sold and bought on the market but should nevertheless be internalised in the costs of production, enforced by taxation: the polluter-pays principle maximising what Pigou called *trade net product* for polluting companies. As Hotelling (1931) later noted, expectation of future price rises would then result in more careful management of non-reproducible goods, a consequence opposed by Coase (1993) and Latour (1987). For local authorities Pigou's welfare conclusions pose sharp issues such as dependency on national Government to act and enforcement of polluter pays potentially disincentivising investment and employment.

For Marx, capitalism began with privatisation of the land, *natural capital* as primitive accumulation (V-I:871): Harvey (2005) speaks of *accumulation by dispossession*. Capitalism dispossesses feudal peasants by privatising what had been commons or shared public land and by violently taking land from indigenous peoples in colonies or conquered lands. Capitalists do this with the protection of the State, often coupled to the ideology of a Church. Once private property, rentiers can control and charge for access: the UV has become an EV. Georgescu-Roegen (1986) explaining the law of entropy notes that capital grabs from nature what it needs for profit without concern for destroying sustainability. Nature becomes a commodity to exploit (Burkett 2014), the drive for accumulation means capital cannot possibly have a sustainable relation with the natural environment (V-I:381) creating negative externalities (pollution), of course, unpaid. Owners of natural capital (ex-public assets) as Christophers (2023) notes are often foreign finance capitalists, whose only commitment is to making profit and not the maintenance of PV and UV for the indigenous population. Pigou (1920, 1943), a British economist, echoed Marx on this contradiction in the 1920s: exploitation of natural capital (think of the Amazon) depletes PV and UVs. Hotelling's (1931) idea is that the overall *stock* constituting the natural environment should not be depleted (Marx's ecological-rift), i.e. the *flow* of taking from the natural environment should not deplete the overall stock, since the natural environment is non-renewable resources. Another way of look at this PV is Langlois' (1997) idea of spillovers, which can be positive or negative: negative spillovers describe capitalism companies degrading the natural environment.

Box

The law locks up the man or woman
 Who steals the goose off the common
 But leaves the greater villain loose
 Who steals the common from the goose.
 The law demands that we atone
 When we take things we do not own
 But leaves the lords and ladies fine
 Who takes things that are yours and mine.
 Celebrating the Commons

PV of natural resources is sustained by taking from nature no more than the natural replacement rate. Humans necessarily take from nature to live (water, food, materials). If capitalist companies are allowed unplanned and uncontrolled depletion of natural resources, then future generations inherit depleted PV and perhaps the cost of restoration. As guardians of PV these are important issues for the public sector: controlled access to nature or widening metabolic rift (Foster and Clark 2018); these issues are sharply posed in developing countries urgently needing jobs and/or capital for investment. Laurent (2020) notes that even when the polluter-pays principle is enforced, the natural environment (PV) remains degraded. Chapter 3

returns to these issues arguing along with Foster (2020), Lewontin (1993), Levins and Lewontin (2009), and Burkett (2006, 2014) that adopting Marx's dialectics helps unravel complex issues.

2.7 Stock-Taking: The Learning Objectives

For two millennia theorists have wrestled with the definition, meaning and use of *value*, being joined in the last 50 years with what is controversy around the nature of public value (PV). Discussion here has centred on services as a unit of analysis, services being the equivalent of the commodity in for-profit capitalism: the basic building block embedding an entire theoretical approach. Achieving PV to citizens is (or ought to be) the central strategic goal of all public sector bodies. Discussion of how these concepts interrelate was structured around four learning objectives, which in turn structure this stock-taking.

Having argued that value is wealth that solves citizen's problems (health, education, care, transport), Sects. 2.1 and 2.2 followed Marx's labour theory of value proposition that labour working on *free gifts* of nature create UVs, wealth. Noting that Marx focused on private sector profit-making commodities, Sect. 2.3 extended his analysis arguing that PV is UV, i.e., wealth produced and distributed by non-market (non-money mediation) means. Associations planning PV services is thus framed as an alternative to NPM EVs, argued as a superior approach than Ostrom (collective value) and Moore (entirely subjective value). Denhardt and Keast's insistence on democratic alternatives to the undemocratic market orientation of NPM, although not Marxist, aligns with these arguments. $PV = UV =$ wealth solving citizen's problems offers a framework which extends Marx's work, while otherwise applying his concepts and system to the understanding of public services called for in learning aim 1.

Learning objective 2 is achieved by historicising public services (more detail Chap. 6), rejecting Giddens and the third-way proposition of neutrality between governances; instead insisting on planning of UV production and distribution (integrating and personalising) public services. Section 2.4 posits as an alternative to NPM managerialism (Grönroos) efficiency, coproduction allocative efficiency (Lieberstein) and PSL's synthesis with aspect of neoliberal Vargo and Lusch's marketing perspective. From this viewpoint service effectiveness (innovation and planning) offers superior efficiency to NPM.

Learning objective 3 digs into the political economy of PV arguing the concepts in V&L transposed into PSL are idealist, explaining the difficulty using them in empirical work, whereas research into AI use in Finnish public services and homelessness are readily explicable in $PV = UV$ terms. Section 2.6 criticises Baumol's cost disease, Grönroos' visionary leadership and managerialism, and the insistence of Vargo and Lusch and PSL that service user rather than professionals and service providers is the source of value, interpreted as a post-modernist audience labour perspective (Fuchs 2015). From the viewpoint of public service providers, we note

the importance of knowing which activities are value-adding or not. We note that PSL and V&L cite none of 250 years of political economy thinking and how audience labour undermines the struggles of staff for status, salaries and mutuality.

Public services are a key part of relations of reproduction, and we note Jansson's (2013) argument that expanding health, education and care services is an alternative to both NPM and to job loss from AI diffusion. Section 2.5 emphasises that democratic planning is only possible if ownership and control of public services remains public: within the arena of mutuality and moral economy and is counterposed to centralistic network control and third-way neutrality over governance. Section 2.7 argues that environmental concerns are endangered by natural capital investment, noting that some environmentalists misunderstand Marx's view of nature by paying attention only to his abstract model, ignoring the concrete model of UV production and the growing metabolic rift resulting from individual companies unsustainably exploiting nature.

2.8 Marx's Contribution and Conclusions

To repeat, the equation of PV with public services UVs produced and distribution in the mutuality sector is an extension, evolution of Marx's position as set out in *Preface* and *Capital*. The contribution of Marxism to PV debate, using the $UV = PV$ concept falls into five areas: (a) $PV = UV$ = problem-solving; (b) the international reach of public services; (c) aligning PV with a strategy addressing the environmental crisis; (d) connecting democratic planning with structures delivering public sector productivity and accountability; and (e) embedding in $PV = UV$ class struggle, including conflict over social wage and the relationship between the public and private sector.

PV = UV = Problem-Solving

Marx has two models for the nature of commodities: an *abstract* value model and a *concrete* model of labour physically working on physical natural artefacts. Some environmentalists criticise Marx's abstract model for not ascribing value to nature (e.g. Nordhaus 2008). This misunderstands that Marx's abstract model is of value production and excludes everything other than value, while his concrete model prominently features the *metabolic rift* and nature. It is the value (abstract) model we extend giving value (non-market mediated) to UV, whereas for Marx, UVs become part of EVs sold on the market to realise the SV produced by labour, expropriated by capitalists. Equating PV with UV offers conceptual tools to construct an alternative to NPM and the transfer of capitalist relations into the public sector. Like Marx, this analysis begins with the simplest unit: the individual service (in our case, not a commodity). Wealth solving citizen's problems is a dynamic (dialectical) view of public services perpetually changing as opportunities and new problems emerge. Chapter 3 returns to these foundational concepts showing how a combination of objective factors (labour time) and subjective factors (values-to-value; Vs2V) offer

a non-market, non-money way of measuring UV worth—always in context and not universally comparable, as EV commodities are using money.

The International Reach of Public Services

Public management theory is often Euro-centric. An internationalist perspective must historicise to explain how the division of labour emerged; to put it sharply—why longevity is 87 in upper-class Kensington, 58 in working-class Glasgow and 38 in Nigeria—and why advanced countries are able to extract natural resources from developing economies at below value, when these countries urgently need investment in public services? Later chapters draw on the work of Postone (1996) and Braudel (1984) to show how public/private boundaries emerge, why moral economies are eroding. For now we note that value extraction from developing to developed economies help fund European welfare regimes that walled welfare (Brown 2017) often dominates policy on international migration.

Aligning PV with a Strategy Addressing the Environmental Crisis

The natural environment is a PV, offering UVs to citizens, that the public sector is responsible for preserving. This is best done using strong planning powers to avoid individual capitalist companies despoiling the environment seeking short-term profit without regard to the negative externalities they create (Foster 2022). PV as UV provides an alternative perspective on the natural environment from the UN's CP or natural capital (Christophers 2018), linking closely with the importance of planning being democratic.

Democratic Structures, Productivity and Accountability

Chapter 19 explores transitions from capitalism inquiring deeply into Marx's views on democracy and the dictatorship of the bourgeoisie vs dictatorship of the proletariat and the importance of public services. For now we note that one of Marx's critiques of bourgeois democracy is its limitation to politics without extension into workplaces and communities. Active citizenship for Marx was more than voting every few years, often a choice between capitalist parties. Hence the importance of educating citizens: it is in the capitalist's interests to simplify complex issues, reducing them to vacuous slogans. The socialist has confidence that workers can understand complexity, always seeking the germ-cell essence of issues. Socialist democracy calls for new structures and new processes. Without an educated citizenry accountability is clouded, with active citizenship capitalism is called to account.

PV = UV Class Struggle, Conflict and Public and Private Sector Relations

Envisaging UVs as creating PV firmly supports the benefits of public ownership. Unlike left-communitarians, this is not neutral regarding governance arrangements and instead emphasises the advantages of democratic planning that arise from limiting private property and market domination. PV provided by the public sector forms part of the minimum wage and universal basic income advocated by Haagh (2019), Coote and Percy (2020) and Pizzigati (2018), i.e., a social wage not distributed by the market but created and distributed as public services. From this

perspective PV like wages is the subject of class struggle: the stronger the working-class movement, the greater the PV concessions that can be gained from capitalism.

In practical terms, viewing public services as UV wealth that solves citizens' problems acting as the source of PV is a new perspective on public services. It emphasises the benefits of public ownership and democratic planning as being more efficient and effective than market allocation of resources and distribution of services. As an alternative to NPM the Marxist perspective is a collective response to collective problems rather than the individual response proposed by left-communitarians. UV = PV is a holistic alternative to NPM and privatisation, centre-staging protection of the natural environment. Unlike approaches that evaluate public services only subjectively, the UV approach includes objective metrics (labour hours) as part of evaluation. We now turn to how Marx's dialectics can help guide public services in relation to the natural environment (Chap. 3) and social change (Chap. 4).

References¹

- Acemoglu D, Robinson JA (2002) The political economy of Kuznets. *Rev Dev Econ* 6(2):183–203
- Adam GB, Balfour DL (1998) *Unmasking administrative evil*. Sage, London
- Alford J (2009) *Engaging public sector clients. From service delivery to co-production*. Macmillan, New York
- Allmer T (2016) *Critical theory and social media*. Routledge, London
- Angus I (2023) *The war against the commons*. Monthly Review Press, New York
- Ariely D (2008) *Predictably irrational: hidden forces that shape our decisions*. HarperCollins, New York
- Arthur CJ (1986) *Dialectics of labour: Marx and his relation to Hegel*. Blackwell, Oxford
- Arthur CJ (2013) The practical truth of abstract labour, Chapter 4. In: Bellofiore R, Starosta G, Thomas PD (eds) *Marx's laboratory – critical interpretations of the Grundrisse*. Haymarket Books, Chicago, IL
- Bauman Z, Lyon D (2013) *Liquid surveillance: a conversation*. Wiley, London
- Baumol W (1967) *Macroeconomics of unbalanced growth: the anatomy of urban crisis*. American Economic Review, June
- Baumol WJ (2002) *The free-market innovation machine*. Princeton University Press, Princeton, NJ
- Baumol W (2012) *The cost disease*. Yale University Press, New Haven
- Becker GS (1973) A theory of marriage: part I. *J Polit Econ* 81(4):813–846
- Becker GS (1991) *A treatise on the family*. Cambridge University Press, Cambridge
- Becker G (2002) Dying away from home: quandaries of migration for elders in two ethnic groups. *J Gerontol Ser B* 57(2):79–95
- Benington J, Moore MH (eds) (2010) *Public value: Theory and practice*. Macmillan International Higher Education
- Boland LA (1992) *The principles of economics: some lies my teacher told me*. Routledge, London

¹ To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, Capital is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of Capital. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Bransen T, Honingh M (2018) Definition of coproduction and co-creation. Co-production and Co-creation. Routledge, London
- Braudel F (1984) *Civilisation and capitalism: 15th–18th century*, vol 111, Harper and Row, NY
- Braverman H (1974) *Labour and monopoly capital*. Monthly Review Press, New York
- Brown W (2017) *Walled States*. Zone Books, NY, *Waning Sovereignty*
- Bryson JM, Crosby BC, Bloomberg L (2014) Public value governance: moving beyond traditional public administration and the new public management. *Public Adm Rev* 74(4):445–456
- Buchanan J, Tullock G (1962) *The calculus of consent*. University of Michigan Press, Ann Arbor
- Buller A (2022) *The value of a whale—on the illusions of green capitalism*. Manchester University Press, Manchester
- Burkett P (2006) *Marxism and ecological economics*. Brill, Boston, MA
- Burkett P (2014) *Marx and nature: a red and green perspective*. Haymarket, Chicago, IL
- Carchedi G, Roberts M (eds) (2009) *World in crisis—a global analysis of Marx's law of profitability*. Haymarket Books, Chicago, IL
- Christophers B (2018) *The new enclosure—the appropriation of public land in neoliberal Britain*. Verso, London
- Christophers B (2023) *Our lives in their portfolios*. Verso, London
- Coase RH (1993) *The nature of the firm*. University of Chicago Press, Chicago, IL
- Coote A, Percy A (2020) *The case for universal basic services*. Polity, Cambridge
- Coyle D (2011) *The economics of enough—how to run the economy as if the future matters*. Princeton University Press, Princeton, NJ
- Coyle D (2014) *GDP: a brief but affectionate history*. Princeton University Press, Princeton, NJ
- Czarniawska-Joerges B (1997) *Narrating the organization: dramas of institutional identity*. University of Chicago Press, Chicago, IL
- Denhardt RB (2001) The big questions of public administration education. *Public Adm Rev* 61:5. <https://go-gale-com.libproxy.tuni.fi/ps/i.do?p=GBIB&u=tampere&id=GALE%7CA79128935&v=2.1&it=r>. Accessed 02 February 2021
- Denhardt RB, Denhardt JV (2000) The new public service: serving rather than steering. *Public Adm Rev* 60:6. <https://go-gale-com.libproxy.tuni.fi/ps/i.do?p=GBIB&u=tampere&id=GAL E%7CA67630649&v=2.1&it=r>. Accessed 02 February 2021
- Denhardt JV, Denhardt RB (2011) *The new public service: serving, not steering*. Sharpe, Armonk, NY
- Denhardt JV, Denhardt RB (2015) The new public service revisited. *Public Adm Rev* 75(5):664–672
- Easterlin RA (1995) Will raising the incomes of all increase the happiness of all? *J Econ Behav Org* 27(1):35–47
- Eriksson E, Andersson T, Hellström A, Gadolin C, Lifvergren S (2020) Collaborative public management: coordinated value propositions among public service organizations. *Public Management Review* 22(6):791–812
- Eriksson E, Williams S, Hellström A (2023) Dis/value in co-production, co-design and co-innovation for individuals, groups and society. *Public Money and Manag* 43(1):17–25
- Esping-Andersen G (1990) *The Three Worlds of Welfare Capitalism*. Polity Press, Cambridge
- Fairclough N (1993) *Critical Discourse Analysis and the Marketization of Public Discourse: The Universities*. *Discourse & Society* 4(2):133–168
- Ferlie EL, Ashburner L, Fitzgerald L, Pettigrew A (1996) *New public management in action*. Oxford University Press, Oxford
- Foster JB (2000) Marx and internationalism. *Monthly Review*. <https://monthlyreview.org/2000/07/01/marx-and-internationalism/#:~:text=The%20character%20of%20Marx's%20internationalism%20was%20defined%20by,were%20many%20traces%20of%20cosmopolitanism%20in%20his%20thought>
- Foster JB (2020) *The return of nature: socialism and ecology*. Monthly Review Press, New York
- Foster JB (2022) *Nature as a Mode of Accumulation – Capitalism and the financialisation of the Earth*. *Monthly Review* 73(10):1–24

- Foster JB, Clark B (2018) Women, nature, and capital in the industrial revolution. *Monthly Review*, January
- Freeman C (1982) *The economics of innovation*. Edward Elgar, London
- Friedman M (1993) *What are friends for?* Cornell University Press, Ithaca
- Fuchs C (2015) The digital labour theory of value and Karl Marx in the age of Facebook, YouTube, Twitter and Weibo, Chapter 2. In: Fisher E, Fuchs C (eds) *Reconsidering value and labour in the digital age*. Macmillan, London
- Galbraith JK (1972) *The new industrial state*. Houghton, Boston, MA
- Galbraith JK (1991) *A history of economics*. Penguin, London
- Galbraith JK (1995) *The World Economy Since the Wars*. Mandarin, London
- Georgescu-Roegen N (1986) The Entropy Law and the Economic Process in Retrospect. *East Econ J* 21(1):8–9
- Giddens A (1984) *The constitution of society*. The University of California Press, Berkeley, CA
- Grönroos C (2017) On value and value creation in service: a management perspective. *J Creat Value* 3L2:125–141
- Grönroos C (2019) Reforming public services: does service logic have anything to offer? *Public Management Review* 21(5):775–788
- Grönroos C, Strandvik T, Heinonen K (2015) Value co-creation: critical perspectives. In: Gummerus J, Von Koskull C (eds) *The Nordic School: Service Marketing and Management for the Future*. CERS, Hanken School of Economics, Helsinki, pp 69–83
- Haagh L (2019) *The case for universal basic income*. Polity, Cambridge
- Hardin R (1968) The street-level epistemology of trust. *Analyse Kritik* 14:152–176
- Harvey D (2005) *A brief history of neoliberalism*. Oxford University Press, Oxford
- He X (2019) Advances in economics, business and management research. In: 5th international conference on economics, Management, Law and Education (EMLE), vol 110
- Hood C (1991) A public management for all seasons? *Public Manag Rev* 69:3–19
- Hood CA (1995) The NPM in the 1980s: variations on a theme. *Acc Organ Soc* 20(2/3):1995
- Hotelling H (1931) The economics of exhaustible resources. *J Polit Econ* 39(2):137–175
- Iddrisu S, Alhassan E, Kinder T (2014) Educational reforms and the role of polytechnic education in the socio-economic development of Ghana. *Afr Dev Resour Res Inst J* 11(11):29–52
- Jackson T (2017) *Prosperity without growth*. Routledge, London
- Jansson JO (2013) *The economics of services—micro-foundations, development and policy*. Edward Elgar, Cheltenham
- Jevons WS (1871) *The theory of political economy*. Cambridge University Press, Cambridge
- Kaivo-Oja J, Kinder T, Stenvall J (2024) Key trends off tangible and intangible products in public sector production in some OECD countries: intangibility and the obfuscation of public service productivity. *J Econ Cult* (forthcoming)
- Keast R (2003) *Integrated public services: the role of networked arrangements*, PhD Thesis, Queensland University of Technology, (available at and accessed 030223) <http://www.networksandcollaborations.com.au/files/Integrated%20Public%20Services%20%20-%20Robyn%20Keast.pdf>
- Keast R (2021) Engaging citizens, clients, and communities for policy and service delivery, Chapter 10. In: Hildreth WB, Miller GJ, Lindquist EA (eds) *Handbook of public administration*, 4th edn. Routledge, London
- Kinder T (2000) A sociotechnical approach to the innovation of a network technology in the public sector—the introduction of smart homes in West Lothian. *Eur J Innov Manag* 3(2):72–90
- Kinder T, Six F, Stenvall J, Ally Memon A (2020) Governance as legitimacy: are ecosystems replacing networks? *Public Manag Rev*. <https://doi.org/10.1080/14719037.2020.1786149>
- Kinder T, Six FE, Stenvall J, Ally Memon A (2021) Relational leadership in collaborative governance ecosystems. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2021.1879913>
- Kinder T, Stenvall J, Koskimies E, Webb H, Janenova S (2023) Local public services and the ethical deployment of artificial intelligence. *Gov Inf Q* 40(4):101865
- Kooiman J (2003) *Governing as governance*. Sage, London

- Koskimies E, Kinder T (2022) Mutuality in AI-enabled new local public service solutions. *Public Management Review*. <https://doi.org/10.1080/14719037.2022.2078501>
- Koskimies E, Stenvall J, Kinder T, Leikas D, Nieminen J (2023) Artificial intelligence and Public Innovations. In: Väyrynen H, Helander N, Jalonon H (eds) 2023, *Public Innovation and Digital Transformation*. Routledge, London
- Kuznets S (1955) Economic growth and income inequality. *Am Econ Rev* 45(1):1–25
- Lane JE (2000) *New public management*. Routledge, London
- Langlois RN (1997) Scale, scope and the reuse of knowledge, Paper for the conference in honour of Brian J Loasby. Stirling, Scotland
- Lapsley I (2009) New public management: the cruellest invention of the human Spirit? *Abacus* 45:1. <https://doi.org/10.1111/j.1467-6281.2009.00275.x>
- Latour B (1987) *Science in action*. Open University Press, Milton Keynes, England
- Laurent E (2020) *The New Environmental Economics: Sustainability and Justice*. Polity Press, Cambridge
- Leibenstein H (1966) *Allocative efficiency and X-efficiency*. Oxford University Press, Oxford
- Levins R, Lewontin R (2009) *The dialectical biologist*. Aakar Books, Delhi
- Lewontin R (1993) *Biology as ideology*. HarperCollins, New York
- Li T (2003) Confucian ethics and the environment. In: *Culture Mandala: The Bulletin of the Centre for East-West Cultural and Economic Studies*, vol 6. Bond University, p 4
- Lindqvist K, Westrup U (2020) Non-voluntary service interaction from a service logic perspective: children and value co-creation. *Public Management Review* 22(12):1781–1798
- Locke J 1689 (1988) *Two treatises of government*. Cambridge University Press, Cambridge
- Longo SB, Clausen R, Clark B (2015) *The tragedy of the commodity*. Rutgers University Press, New Brunswick, NJ
- Lucas RE (1972) Expectations and the neutrality of money. *J Econ Theory* 4:103–124
- Maas H (2005) *William Stanley Jevons and the making of modern economics*. Cambridge University Press, Cambridge
- MacKenzie D, Wajcman J (1985) *The social shaping of technology*. Oxford University Press, Milton Keynes
- Mazzucato M (2018) *The value of everything—making and taking in the global economy*. Allen Lane, London
- Mazzucato M, Ryan-Collins J (2022) Putting value creation back into “public value”: from market-fixing to market-shaping. *J Econ Policy Reform* 25(4):345–360
- Mehrotra S (1991) On the social specifications of use value in Marx’s capital. *Soc Sci* 19(8/9):72–77
- Menger C (1871) *Principles of economics*. Reinhardt, Vienna
- Merton RK (1940) Bureaucratic structure and personality. *Soc Forces* 18(4):560–568
- Michels R 1911 (1962) *Political parties: a sociological study of the oligarchical tendencies of modern democracy*. The Free Press, New York
- Molina A (1997) Insights into the nature of technology diffusion and implementation: the perspective of sociotechnical alignment. *Technovation* 17(11/12):601–626
- Molina AH (1999) Understanding the role of the technical in the build-up of sociotechnical constituencies. *Technovation* 19:1–29
- Moore MH (1995a) Accounting for change: reconciling the demands for accountability and innovation in the public sector. Council for Excellence in Government, Washington, DC
- Moore MH (1995b) *Creating public value: strategic management in government*. Harvard University Press, Cambridge, MA
- Moore M (2014) Public value accounting: establishing the philosophical basis. *Public Adm Rev* 74(4):465–477. <https://doi.org/10.1111/puar.12198>
- Moscatti I (2019) *Measuring utility—from the marginal revolution to behavioural economics*. Oxford University Press, Oxford
- Moseley F (2015) *Money and totality – A Macro-Monetary interpretation of Marx’s logic in capital and the end of the transformation problem*, Haymarket, Chicago, IL
- Mouffe C (1993) *The return of the political*. Verso, London

- Murray P (2016) *The mismeasure of wealth: essays on Marx and social form*. Brill, Leiden
- Nordhaus WD (2008) Baumol's diseases: A macroeconomic perspective. *J Macroecon* 8(1):1–39
- Normann R (2002) *Service management*. Wiley, New York
- Osborne SP (ed) (2010) *The (new) public governance: a suitable case for treatment*, The New Public Governance. Routledge, London
- Osborne SP (2018) From public service-dominant logic to public service logic: are public service organizations capable of co-production and value co-creation? *Public Manag Rev* 20(2):225–231. <https://doi.org/10.1080/14719037.2017.1350461>
- Osborne SP (2021) *Public service logic: creating value for public service users, citizens, and society through public service delivery*. Routledge, New York
- Osborne D, Gaebler T (1993) *Reinventing government*. Penguin, London
- Osborne SP, Nasi G, Powell M (2021) Beyond co-production: value creation and public services, *Public Administration* (Early View <https://doi.org/10.1111/padmi12718>)
- Ostrom V (1973) *The intellectual crisis in American public administration*. Alabama University Press, Tuscaloosa, AL
- Ostrom E (2008) Polycentric Systems as One Approach for Solving Collective Action Problems. In: Research Paper No. 2008-11-02, School of Environmental and Public Affairs. Indiana University
- Patel R (2011) *The value of nothing—how to reshape market society and redefine democracy*. Portobello, London
- Pigou AC 1920 (1952) *The economics of welfare*. Transaction Publishers, London
- Pigou AC (1943) The classical stationary state. *The Economic Journal* 53:343–351
- Pizzigati S (2018) *The case for a maximum wage*. Polity, London
- Polanyi K 1944 (2001) *The Great Transformation – The Political and Economic Origins of Our Time*. Beacon Press, Massachusetts
- Polanyi M (1958) *Personal knowledge*. Routledge & Kegan Paul, London
- Pope PE (2004) *Fish into wine: the Newfoundland Plantation in the seventeenth century*. Omohundro Institute of Early American History and Culture, Williamsburg, VA
- Postone M (1996) *Time, Labour and Social Domination: a Reinterpretation of Marx's Critical Theory*. CUP, Cambridge
- Power M (1997) *The audit society: rituals of verification*. Oxford University Press, Oxford
- Preobrazhensky E 1926 (1965) *The new economics*, 2nd edn. Clarendon Press, Oxford
- Rawls A (1971) *A theory of justice*. Oxford University Press, Oxford
- Ricardo D (1821) *On the principles of political economy and taxation*. <http://faculty.econ.ucdavis.edu/faculty/gclark/210a/readings/Ricardo.pdf>. Accessed 19 June 1996
- Roberts M (2016) *The long depression—how it happened, why it happened and what happens next*. Haymarket Book, Chicago, IL
- Roberts M (2024) *The rate of profit*. <https://thenextrecession.wordpress.com/2021/08/25/the-rate-and-the-mass-of-profit/>
- Rønnebak MT, François V, Kiss R, Peralta A, Rubalcaba L, Strokosch K, Zhu EY (2022) Public service logic and the creation of value propositions through framing. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2022.2095002>
- Rotta TN, Kumar R (2024) Was Marx right? Development and exploitation in 43 countries, 2000–2014. *Struct Chang Econ Dyn* 69:213–223
- Sandel MJ (2020) *The tyranny of merit—what's become of the common good?* Allen Lane, London
- Skarli JB (2021a) Responsibilization and value conflicts in healthcare cocreation: a public service logic perspective. *Public Management Review*. <https://doi.org/10.1080/14719037.2021.2013070>
- Skarli JB (2021b) *Creating or Destructing Value in Use? Handling Cognitive Impairments in Co-Creation with Serious and Chronically Ill Users*, *Administrative Sciences* 11, 16. <https://doi.org/10.3390/admsci11010016>
- Smith A 1970 (1776) *The wealth of nations*. Penguin, London

- Sønderskov M, Ronning R (2021) Public service logic: an appropriate recipe for improving serviceness in the public sector. *Adm Sci* 11:64
- Stewart J, Clarke M (1986) The public service orientation: issues and dilemmas, *Public Administration* 65(2):161–177
- Thompson EP (1965) *The making of the English working class*. Pelican, Harmondsworth
- Trischler J, Røhnebæk M, Edvardsson B, Tronvoll B (2023) Advancing public service logic: moving towards an ecosystemic framework for value creation in the public service context. *Public Manag Rev* 1–29. <https://doi.org/10.1080/14719037.2021.1899272>
- Vargo SL, Lusch RF (2008) Service-dominant logic: continuing the evolution. *J Acad Mark Sci* 36(1):1–10. <https://doi.org/10.1007/s11747-007-0069-6>
- Vargo SL, Lusch RF (2014) Inversions of service-dominant logic. *Mark Theory* 14(3):239–248
- Von Hippel E (1982) *The sources of innovation*. Oxford University Press, Oxford
- Vygotsky LS (1999) *Scientific legacy*, vol. 6 of *The Collected Works of L.S. Vygotsky*, ed. Robert W. Reiber, trans. Marie J. Hall. Plenum Press, New York, 42
- Weber M (1979/1921) *Economy and society: an outline of interpretive sociology*, Chapter XI, vol 2. University of California Press, Berkeley
- Whyte D (2020) *Ecocide – Kill the corporation before it kills us*. Manchester University Press, Manchester, England
- Woo-Cumings M (ed) (1999) *The developmental state*. Cornell University Press, London

Chapter 3

Public Services, Dialectics and Nature



Abstract Nature is constantly changing: to understand why and how we need to appreciate the history, context and how ecosystems interoperate, sometimes in conflict. Marx views these as dialectical processes, similar to social dialectical change—the difference being human consciousness to direct social change. This chapter explains how protecting the natural environment (Marx’s *metabolic rift*) is central to his system and concepts including UV. It illustrates how dialectics and historical materialism can be used to solve every day or big problems in public services arguing that it is ‘markets solve everything’ thinking that introduces determinism into human affairs, whereas we can improve our lives by directing and promoting change in public service solutions to problems: UVs. Problem-solving has a critical role to play in defending our global natural environment from negative externalities of private capital by more closely linking cities and countryside. Using Marx’s framework and concepts such as UV, and nature as matter-in-motion, a rich theoretical and practical approach is outlined and demonstrated by example, to better linking public services with the natural environment.

3.1 Introduction

Marx was fascinated by shit. To avoid doubt: paska (Finnish), 拉屎 [lā shǐ] (Chinese), merde (French), scheisse (German), たわごと (Japanese), मल (Hindi), bok (Turkish), അസംബന്ധം (Malaysian), القرف [alqarf] (Arabic), tsvina (Shona), tae (Filipino), Spanish la mierda; otherwise in English called turd, waste, excrement, dung, excreta, faeces, stool, guano, poo, defecation or fertiliser. In the days before mechanisation of agriculture excrement from humans and animals was used as fertiliser to improve soil productivity.

As Marx deepened his critique of capitalism, he realised that the relationship between urban and rural had negative social effects on both sets of people and these were interconnected. He lived during the Irish Famine (1848–1852) when a million people died of hunger and two million emigrated, halving the Irish population, to be followed in the 1860s by famines in Finland and Sweden. Living before the

mechanisation of agriculture, Marx was impressed by Liebig's (1842) work on soil analysis, arguing that without replenishment by animal and human excrement, soil productivity waned from lack of nitrogen, phosphorus and potassium. Marx saw that over-production in the USA slave states (tobacco and cotton) laid waste to agriculture. He connected the terrible conditions prevailing in early industrialised cities, as reported by Engels (1845/1968), with capitalist practices in agriculture. All his life he returned to the idea of capitalism creating a *metabolic rift* between what nature can provide and what was taken from nature and the town/country split. Engels said that instead of using organic fertiliser, in England it *floated down the Thames*. For Marx recycling was a basic public service that was absent and irrational. He viewed dialectical change in nature as similar in processes as dialectical social change—an explanation of which is at the heart of this chapter.

Today capitalist pollution of the planet is increasing global temperatures, destroying rain forest in Brazil and Indonesia; blighting South America, Africa and Kazakhstan by mining; and over-fishing and pollution oceans and causing loss of arctic ice packs and glaciers. As Whyte (2020) sharply puts it, we need to *kill the corporation before it kills us*. This chapter connects the Marxist view of the natural environment, dialectics and public services, breathing life into Marx's idea of people suffering alienation from their natural environment. It reviews existing research and for each topic suggests new ideas coming from the Marxist perspective.

Historical Materialism

Marx developed the *historical materialist* perspective: he historicised capitalism, challenging the naturalistic view that things as they exist are for the best. We can naturalise, lazily presuming that the ways things are, has always been and always will be—the types of social relations, the social structures, how we come to own things, the things we use in our lives. Instead, Marx urges us to locate every situation historically. How technology is shaped and used is the result of heritage. How we frame issues influences the answers we get. His focus is on material artefacts, physical changes to nature, all evolving dialectically. Historical materialism, Timpanaro (1980) says, is a lens through which to view the world; a world in which understanding the present and strategising for the future derives from understanding how *things* have emerged from the past. This is a world of constant change, bereft of equilibrium, in which every issue has unfolding layers, the germ-cell essence of which is only revealed by digging, what Engeström (1987) calls *expansive cycles of learning*; and for Marx, we dig until we reveal the value-relations, the class antagonism underlying every social issue: dialectics.

For the historical materialist, capitalism is far from being inevitable, other socio-economic systems might have emerged and—given conscious direction—can emerge in future. Basic modes of production (ancient-feudal-capitalist or socialist) interrelate production (relations of production) and social reproduction (relations of reproduction). The former is a sub-structure technology, organisation of production and production process and the latter a superstructure including the state, family, institutions, culture and social relations such as education and training (Bhattacharya 2017, 2019). Production and reproduction are cross-cutting and interpenetrating. At

the interrelationship between production and consumption the state and public service is central for Marx: in production regulating markets, taxation, infrastructure for distribution and in reproduction education, standards and city-services.

Juggling three balls in the air (the natural environment, dialectics and public services), this chapter aims to use the natural environment to illustrate the mechanics of dialectics and the relevance of public services. Additionally, the examples cited underscore because it is meaningful to define public services as wider than those formally or statutorily provided by the public sector and to also include use-value services created by the family unit and use-values created and distributed by the third-sector (3S). The enemy of dialectics and historical materialism is determinism, the doctrine that ideas, events and activities are prescribed by some for external to human will, such as rationality, God or technology. Instead, dialectics lives in the land of free will—the freedom to act and responsibility for actions.

For Marx cognition moves from the abstract to the concrete, from generalisation (in the form of language, definitions, framework, theory) to practical grounded human activity. Unlike Aglietta (1979) for Marx movement is not from mental to manual but instead from abstracting—seeking determining variables that secure activity and change. Whereas Hegel views all concepts as abstractions, Marx points to absence of context reduces depth of meaning, a view Oshry (2018) endorses.

Learning Objectives

LO-3.1: How is theory and research on human impact on the environment evolving and what is the current denialist position? Given the international importance of agriculture, its chemicalisation and dominance by US monopolies what strategies do Marxists propose? How relevant are technological and geoengineering to achieving Inter-Governmental Panel on Climate Change (IPCC) targets, targets which Reay (2009) endorses but Buck (2019) disputes instead emphasising changes to production and consumption. Can negative externalities be controlled by regulation as Klein (2019) claims or is green capitalism an oxymoron. Does the devolved power Micklethwait and Wooldridge (2020) ascribe to the company as an organisational form, empower it to despoil with impunity? Which tensions associated with climate crisis are likely to be sharpest: inter-generational, poor vs rich or spatial such as space clutter and especially the Pacific islands? How revelatory are films such as Wall-E in which the search for another planet turns into valuing the one we have? How defensible are nation state systematically exporting polluting industries/processes (Japan) or using private armies to defend their interests against climate protestors (Canada).

LO-3.2: Humans are both part of nature and work with/on nature to create value: the LTV. Is Marx's theory of *metabolic rift* (as presented by Foster (2020) sufficiently differentiated from green liberals, is compatibility with LTV its unique selling point? Are those condemning Marx because of the absence of environment in abstract presentation of value deliberately

misunderstanding his work when his environmental critique (according to Foster and Burkett 2018) so central to his work? Did Soviet environmentalism enrich Marx's analysis?

LO-3.3: To what extent in reality, or potentiality are public services environmental effective (in actions, regulations or policy) for (a) their own services, (b) town-country links, (c) innovations and (d) waste management (you will meet waste in Chap. 14 as a city-service).

LO-3.4: How readily does the Marxist theory of neoimperialism accommodate environmental theory? What is the evolving role of the nation state when upward delegation of power and resources is central to effective environmental action? Are current international institutional arrangements capable of the necessary policies and resource transfers?

LO-3.5: Dialectics: Hazelrigg (2012) argues capitalism is riddled with contradictions especially strong being those arising from inside socio-economic relations. Dialectics makes sense of capitalism's absence of equilibrium by historicising issues and highlighting conflicts as classes clash over control of the social surplus and the interpenetration of environmental, social and economic goals. Purposiveness for humans, unlike animals, Ilyenkov (2008) points out arises from outside humans: consciousness created by cognitions interpreting practice—that always includes material matter-in-motion. Dialectics guides sensemaking and symmetry around competing goals, always as Vygotsky (1999) shows, returning to practice coupled to learning. This chapter illustrates how over every day and strategic issues dialectics are a practical route to problem-solving.

Structure

Beginning where Marx did with Epicurus, Sect. 3.2 considers Marx's early studies, the foundations for historical materialism, exposing religion as a brake on progressive social ideas. Marx's views on human alienation from nature in Sect. 3.3 include public sector regulation and control over pollution and the promise of a good life from the natural environment, contrasted with the famines and misery resulting from abuse and degradation of nature. In reviewing what dialectics means in Marx's system, Sect. 3.4 takes examples from rainforests and the work of Levins and Lewontin (2009) and Wallace (2020) on dialectical biology, illustrating connections to public service such as regulation and standards. Section 3.5 considers labour and nature, at the heart of Marx's labour theory of value including his critique of bourgeois economics and commodity fetishism, and the importance of use-values—the mutuality constituting public services. Two sections then focus on science and technology. Section 3.6 explores Marx's theorisation of technology, the contradiction of, on the one hand, spurring productivity by automation while reducing the value

content of commodities by embedding less labour-value, causing crises and one reason why capitalism seeks to privatise and shift production into the market, for-profit sphere.

3.2 Marx's Journey to Historical Materialism

3.2.1 *Epicurus*

Marx's PhD study of Epicurus (341–269 BME) connected for him constant change in the natural environment which he transposed to constant change in social affairs. Epicurus (2012) urged his followers to respect and study nature, his *Tetrapharmakon* (four remedies): do not fear the gods; do not fear death, what is pleasant is easy to attain, what is painful is easy to endure (see Adamson's 2016 podcasts). Epicurus was a materialist, atomist and hedonist: a lot of *ists*! He argued that material people and events cause social change not words and ideals, unlike Plato and Aristotle he was less interested in absolute truth and more in what constitutes a good life. He was an ascetic-hedonist who believed the world to be in constant change and made up of atoms. As a materialist he argued material reality is all there is—there are no Gods or super-human forces causing change. He said we have no need to fear death since we will not exist, just like before we were born, we have no sensations and therefore nothing to fear. Presaging the second Law of Thermodynamics, Epicurus argued that in nature nothing comes from nothing, matter-in-motion merely alters form. From Epicurus and Lucretius, who in *On the Nature of Things* set Epicurean philosophy in Latin verse (1969), Marx took a materialist and dialectical outlook with commitment to oneness with nature. Marx's materialism is close to Bhaskar's (1993, 2010) critical realist epistemology.

Marx's PhD thesis showed how unlike Democritus, Epicurus had an active materialism, driven by constant *swerves* or change. As Croix (2001) notes, Marx made a detailed study of ancient world class structures and UV creation by unfree labour noting that the demise of both ancient Greek and Roman empires occurred when the supply of UV producing slave labour dried up. Marx applauded the human agency in Thucydides' history.

3.2.2 *Confucians, Daoists, Hindus and Incas*

While Confucius was primarily concerned with the ordering of relationships between people, his idea of *cultivating culture* meant respecting the trinity between heaven, earth and humanity and Mencius bemoaned the axes that felled the trees on

Ox Mountain reminding us that the earth is a precious heritage. Both believed that the mandate of heaven required the emperor to use the State to maintain harmony. His first hexagram in the *c* symbolises the same dialectical progression and creativity lauded about the same time by Epicurus. For Daoists, the yin and yang harmony proceed from cataloguing and respecting nature. In short, China has a long history of environmentalism.

Other world religions similarly urge respect for the natural environment. For Hindus karma involves living at one with nature with suitable exhortations found in the Vedas, Upanishads, Bhagavad Gita. The Buddhist too will avoid harming nature, as did the Inca (2022).

3.2.3 *Christian Exploitation of Nature*

Weber (1978) and Tawney (1956) each cite texts proclaiming that God gave to Protestant Christians the right to exploit nature and that they did so in pursuit of the rise of capitalism. Much of the finesse around the natural environment found in Greek philosophy was lost with the Church fathers until resurrected by the Arab translation movement in the seventh century (Rababah 2015).

Although humans are part of nature their treatment by Christians has frequently been un-Christian. Bushman (1967) in *From Puritan to Yankee* shows how within a few years of landing Puritan Christian refugees had become slave-owners and within a century had ethnically cleansed the land of indigenous people with church and Bible-reading governances giving way to the god of profit. Christian ideology was highly contested in Europe: between 1618 and 1648 two sets of Christians fought for domination in Europe in the Thirty Years War, laying waste to much of the continent and killing some 8-million people. 20-million African men, women and children were enslaved by Europeans and transported to the USA—America's *original sin*. Slavery dominates America's history and growth (Morgan 1975; Middlekauff 2005; Howe 2007; Macpherson 1962), evolving into slave-capitalist enterprises. This terrible abuse of humans, the most important part of nature, provided some of the primitive capital accumulation that kick-started European industrialisation (Williams 1944; North 1961; Fogel and Engerman 1974; Anderson and Gallman 1977) though as Eltis (1988) argues, held back industrialisation of the southern USA. Europeans enslaved by Chinese and Indians in Asia (Northrup 1995:120–139) exported many to overseas slave estates (Tinker 1974). As Hanke (1949) records, after the Pope Alexander VI gave South America to Spain and Portugal, it was agreed in 1512 that Indians could be enslaved—a third dying every year, and although priests debated in Valladolid in 1550 over the morality of slavery, it was not abolished until 1834 in Britain (after the slave-owners were compensated, Hague 2008) and 1880 in Brazil. Divine (2015) shows that Scotland too was involved, developing early capitalism accounting and managerial techniques on the slave plantations.

These are inglorious, despicable episodes and illustrate the public services, such as transport systems and market regulation, in the wrong hands have a negative impact on humanity.

3.2.4 Bourgeois Economics and the Environment

Every generation of scholars criticises and undermines the basis of bourgeois economics. Marginal utility theory, assumptions about rational and hedonistic behaviour, perfect information, etc. have been successfully challenged by Shackle (1972), Dosi et al. (1988) and Carchedi (1987). Yet, showing an absence of cumulative learning, Economics researchers continue pouring out the same old stuff showing that instead of being a science, bourgeois economics is no more than ideology wheeled out like the stuffed figure of Bentham at the London School of Economics, to justify weakening worker's wage demands or claim Africa benefits from trade arrangements that are obviously not beneficial.

Unlike Epicurus and Marx (for whom the natural environment, economics environment and history are essential to analyse any problem), bourgeois economists neglect these and only infrequently mention any of these influences or refer to the externalities that companies create, externalities that despoil the natural environment, for which, as Kamenka (1969) notes, they are rarely held accountable. Their models take 'the environment' as a static given. Yet so strong is the ideological hold of bourgeois economics that in Europe, Marxist economics and the labour theory of value can be just assumed wrong. This book follows Carchedi and Roberts (2009) and Carchedi (1991, 2012) and Roberts (2016, 2024) in recognising that economic value comes from labour working upon natural materials.

3.2.5 Ideology and Nature

It is important to be clear what the concept ideology means. As Barth (1976) records, Marx was aware of the French Enlightenment philosopher Helvetius's argument that power is the result of creating mass consciousness, the ability to *unmask the impostures*. Marx used Holbach's ideas in his anti-Hegelian *Critique of the Philosophy of Right* (1844): inversion, mystification and the appearance-essence distinction. In the *German Ideology* (1845) Marx argued Hegel inverted historical processes by claiming that a moving spirit drives history and not material factors. Seeking the germ-cell essence of socio-economic relations informs all of Marx's work rooting out the arguments, narratives and symbolisms capitalism erects claiming that it benefits workers, for example justifying mind-numbing division of labour and low pay. Capitalists, Marx argued, need ideologies that persuade the working majority that social relations correspond to the needs of production, saying that in every epoch the dominant ideas are nothing.

more than the ideal expression of the dominant material relations ... of the relations which make the one class the ruling one, therefore, the ideas of its dominance. The individuals composing the ruling class ... rule as a class and ... rule also thinkers, as producers of ideas, and regulate the production and distribution of the ideas of their age: thus their ideas are the ruling ideas of the epoch. (German Ideology, MECW-5:59)

My own mother interpreted this as remember the golden rule—whoever has the gold, makes the rules. Production sub-structure dominates society (social reproduction) erecting laws, institutions and belief systems suiting capitalism. Abercrombie (1980) and Blackburn (1979) emphasise this is not a simple deterministic relationship but acknowledges the power of producers and capital. Gramsci (1971) argued that at particular moments superstructural factors can predominate, some progressive (Black Lives Matter), some reactionary (white power).

Marx believed that capitalism oppression and exploitation would reach a point where workers would pay more attention to their own experience of life and reject capitalist ideology. Alternatively, Althusser (2014) argues ‘soft’ forms of ideology transmission (schools, family, mass communications culture, cinema) are more important than ‘hard’ ideological weapons (such as state violence) and are not countered by experiences of exploitation, concluding that capitalism is unassailable. Workers in China, Vietnam and Cuba would disagree, however Marxologist theoreticians embrace Althusser’s pessimism including Mouffe (1993), Laclau (1990), Jameson (2005) and Žižek (2017). For Jakubowski (1990) ideology is the cumulated justification of capitalism built up over generations to become embedded in institutions and culture, analogous to the way the knowledge of dead generations of workers constitutes today’s knowledge stock, and the value expropriated from dead generation of workers constitutes today’s stock of capital. Capitalist ideology is challenged by workers’ experiences and the agitation of Marxist parties.

Liberals argue that one person’s ideology is another person’s falsehood, and that Marx should be rejected as with all ideologies (except their own). This is a popular viewpoint in the USA, featuring authors such as Bell’s (1960) *End of Ideology* and Fukuyama’s (1992) *The End of History and the Last Man* and in Europe people such as Joravsky (1966) and Eagleton (1991). Ideology is a lens through which we look at the world often distorted by those in power. What Marx reveals is a germ-cell of exploitation, inequality and capitalist degrading of the natural environment.

3.3 Alienation from Nature

Alienation from nature is a central theme of Marx’s work, people forced into living conditions that Engels described as *social murder* also a widening *metabolic rift* between what nature can sustainably give and what capitalism takes from nature.

3.3.1 Alienation

Alienation (estrangement) for Marx has three dimensions as Kamenka (1969) showed: from the natural environment, from other humans and from the produce of labour: people being alienated from their human essence by capitalism is core to Marx's critique of capitalism. This essence is not in relation to an abstract set of principles as Kant argued, but instead freedom to do and think and relate, which capitalism constrains by seeking to dominate our thinking, preferences, social interactivity and what produce our labour creates. Like Confucius, Marx viewed humans as essentially natural and social beings.

Althusser (1969) wrongly argues that alienation is found only in Marx's early works, as McLennan (1973) points out alienation is threaded throughout all his work. Critics of Marx argue that nature hardly features this is a lazy reading of Marx paying attention only to his value analysis (from which everything but value is implicit) and concrete analysis in which natural artefacts (and humans as part of nature) are prominent Sayers (2011).

Alienation for Marx is psychological and emotional. Sartre (1976) and Camus (1957) use the term alienation to describe hopelessness faced with morally unreconcilable or unachievable decisions: individualised existential crises. Yet, as Wittgenstein (1969) perceptively comments, *we are not alone*—our decisions and actions occur in a social setting (especially language and culture) and have social in addition to individual consequences. Bourdieu (1984) is more deterministic arguing that a collection of habituses dictate our view of the world. Ollman (1976) correctly portrays alienation as dialectical relationships subjugated by capitalism resulting in a loss of self-realisation, self-esteem and confidence.

Marx's view of alienation includes moral critiques of capitalism, however Avineri (1968) and Mészáros (1970) are mistaken in limiting his critique to morality. Similarly, Lukes (1974) correctly points out that Marx's view of alienation is a denial of power, again Marx agrees but is saying more. Marx's idea of alienation is not simply a release of the human essence from the shackles of capitalism, it is more than Hegel's negation and instead pictures a world in which individuals are free to reach their potential, including treasuring a sustainable relationship with the natural environment. Lukács (1953) wrongly argues that socialism overcomes alienation, Marx is clear (*Capital* Chap. 1, Sect. 1.4; *Grundrisse*:158) that alienation is a capitalist disorder (not present in feudalism (GI:53) continuing into a socialist society. Alienation is only overcome in a communist society of abundance when market relations cease to mediate people's relationships, production is planned, and the environment sustained (see Chap. 19).

Some of the environment-related public services are listed in Table 3.1. These are a platform from which a socialist transition can build a new relationship with nature once capitalist degrading of nature is stopped.

Table 3.1 Example of rich-country local environmental services

Water and drainage	Planning and building control
Clean tap water	Strategic planning and zoning (e.g. 5-year plan)
Domestic wastewater	Planning consents for buildings
Domestic sewage	Planning ‘gain’, e.g. builder-paid external benefits
Toxic water treatment and disposal	Land trading and site assembly
Sewage treatment and recycling	Building control certification
Transport and roads	Housing
Public airports	Social housing (low rent)
Public railway system	Public–private housing initiatives
Public bus network	Independent living (elderly, technologically assisted)
Taxi regulation	Aids and adaptations for disabled people
Park-and-ride stops, bus stops	Building access regulations
Lorry and container parks	Sustainable materials standards
Off-street parking, parking metres/control	Brownfield infrastructure development
Refuse and waste disposal	Parks and open spaces
Domestic waste collection	Tree registration, planting, care
Waste segregation, recycling and disposal	Forestation projects
Industrial waste treatment and disposal	Care, upgrading parks and play-spaces
Toxic waste treatment and disposal	Regulation private sector amusement/feature parks
Landfill site control and tax gathering	Bio-diversity projects

3.3.2 *Social Murder*

Public services then have a major role to play in ending alienation from nature. In Marx’s day, none of these services were available. Engels’ *Conditions* and his tour of Ireland (MECW-21) describe as *social murder* the conditions people were forced to live in as landless labour moved into cities for work.

Let’s look at some international examples of capitalism alienating humans from nature.

- Sharps (1952) reports how Australian Yir Yoront aborigines living at the mouth Coleman River in Cape York had a social structure based on stone axes. Older members were revered for making the axes, young men for using them in hunting and in periodic festivals axes were exchanged with nearby tribes for goods they made. Well-meaning missionary distributed steel axes disrupting the entire social structure. Young men left the tribe and began working for wages in factories. The tribe’s care of the natural environment and its knowledge died out allowing the foresters to chop trees and developers to build houses.
- Bhattacharya (2019) tells how early British colonialists began making formal maps of land rights in India, leaving the Dalits caste landless and jobless. Higher caste farmers were encouraged to grow cash-crops for market, leaving communi-

ties short of food. Historic communal water irrigation systems broke down resulting in the 1868 and 1877 famines in which countless thousands died. Capitalist relations alienated these communities from nature by monetising and marketising their economic activity.

- Thompson (1967) notes that in late feudal relations the Lords accepted moral responsibility to help peasants during difficult periods, he called this a *moral economy*. Even within feudal relations this contradiction of feudal relations coupled to moral economy persisted. Following land enclosure forcing landless labourers into factory employment, the moral economy broke down, leaving no safety net for difficult times. The link between the labourer and the land constituting the feudal village broke down.

Alienating people from nature capitalism causes untold damage to the environment and deprives people of an important part of their essential nature.

3.3.3 *Metabolic Rift*

Marx and Engels were *Enlightenment men*, meaning with encyclopaedic interests across the physical and social sciences from archaeology and anthropology to biology and chemistry. In 1844 Marx declared,

Humans live from nature, i.e.: nature is our body, and we must maintain a continuing dialogue with it if we are not to die. To say that humanity's physical and mental life is linked to nature simply means that nature is linked to itself, for humans are part of nature.

He coined the term *metabolic rift*, now a key concept in ecological sciences, to capture the interrelationships between human and nature, an interrelationship disrupted and deteriorated by capitalism. Both were friends with Carl Schorlemmer one of the leading organic chemists of the day and closely followed Liebig's (1842) work on soil structures and the benefits of waste recycling for soil productivity. As Marx noted (V-1:474) capitalist urbanisation caused a *metabolic rift* by destroying the organic fertiliser cycle. Alienation (*stoffwechsel*), the robbing of the worker and *robbing the soil* (see Ohlson 2014 *The Soil Will Save Us*). Vernadsky's (1945) pioneering work on the biosphere was directly influenced by Marx and Engels, the first to see the Earth's atmosphere as a living organism needing to balance oxygen, nitrogen and carbon dioxide, becoming the basis for Lovelock's (1964) *Gaia* thesis.

As Krauss (2021) notes, when Charles Keeling first measured atmospheric CO₂ in 1953 it was 313 ppm, rising to 314.4 ppm in 1958 and now 415 ppm. In the past 60 years, over 400 giga-ton of CO₂ has been released the largest change in the last million years with 50% into deep oceans and 30% into the atmosphere forming what Fourier in 1824 described as *blanket around the Earth*, causing global warming, rising sea levels and acidic oceans. Whereas news media refers to *human* caused global warming, as Krauss notes this is *capitalist* global warming, the result of product and process choices that could be different.

It is capitalist agriculture that resulted in the US dust bowls (Worster 1979), capitalist agriculture that overuses pesticides and increases pest numbers (Goldsmith 1980) and capitalist agriculture that runs off insecticides and pollutes rivers Perkins (1993) including the mighty Mekong (Menon et al. 2006). Since England and Bluestone (1973) the case that capitalist agriculture and industry is harming the natural environment has been unanswerable. Yet even today, capitalist lobby groups lobby against sustainable agriculture and Sayers (2011) notes, alienation from nature continues. Wallace (2016) *Big Farms, Big Flu* argues dialectically that mega poultry farms—the breeding grounds for coronavirus—although often situated in Asian countries, as Christophers (2023) shows, are funded by finance capital in New York and London. Individual units of capital are not held responsible for what economists now term *negative externalities*. Only a planned and sustainable relationship with nature can avoid planetary as Foster (2020) argues.

Breaking the Bond

Marx uses this phrase to describe introducing alienated nature, when previously workers enjoyed an unmediated relationship. Wood (1999, 2012) and Thompson (1967, 2013) give lengthy expositions on this theme. Many African workers face the double bind of moving from the land into cities, only to find no jobs. Some examples.

- The Krasnoyarska bridge over Yenisei River (the 10 roubles note picture) is a vast Siberian wilderness, a third with larch tree cover: the Taiga Forest is the largest in the world covering 300-million square hectares, half of Russia's land mass. Global warming is causing drought and uncontrollable fires threatening the forest and the way of life of those animals and people living in it.
- Living around the Alaskan Yukon in Eastern Beringia groups of Inuit, Iñupiat and Athabaskan people have lived nomadically on whales, seals, fish and sparse vegetation. Now, because of global warming, the treeline shifts north, an oil companies move in. People whose parents never saw money now text each other on iPhones. The Inuit word *solastalgia* means homesick while living at home because homeliness has been lost.

Dependency Theory

Criticising the idea that developing countries could follow the same modernisation path as capitalist states, Prebisch argued that capitalism held these countries dependent, leading to Baran and Sweezy (1990), Gunder Frank (2000), Wallerstein (1974) and Amin (2014), propounding the idea of a core and periphery with value flowing into the core via extractivism (Ellner 2021) and low wages (Smith 2016). While Marini (2022)'s idea of super-exploitation describes dependency, insufficient analysis can be paid to Lenin's point that imperialism is the export of capital—dependency and value-flows continue to structure capitalist relations with developing countries, including its international institutions, markets and cultural imperialism. As Katz and Stern (2023) note, dependency theory can become pessimistic, as seen in Chang and Graebel's (2004) 'throwing away the ladder' argument. Carchedi and Roberts (2021) convincingly show that Lenin's view remains apposite, including

the argument that capitalism creates weak links that with appropriate leadership can overthrow capitalism, China being the primary example.

Podolinsky and Energetics

Podolinsky a Ukrainian socialist met and corresponded with Marx and Engels; he tried to link the labour theory of value to energy expenditure. In 1882, Marx wrote to Engels that *Podolinsky has strayed away from his very valuable discovery into mistaken paths because he was trying to find in natural science a new proof of the truth of socialism and has therefore confused physics and economics*. Podolinsky's (1883) *Human Labour and the Unity of Physical Forces* is used by Martinez-Alier (2004) to claim that Marx and Engels were negative towards the idea of connecting labour with the natural environment, a complete misrepresentation. Recognising that humans retain solar energy and that labour is part of the natural environment were positive aspects of Podolinsky's work as Burkett (1999) and Burkett and Foster (2008) note. Labour-value cannot simply be reduced to energetics since exploitation is socially constructed and not subject to the laws of physics. By the 1880s, Foster (2000) states, Marx was himself ill and suffering depression after his wife's death and left Engels to reply to Podolinsky.

3.3.4 Marxist Environmentalism a Holistic System

Marxist environmentalism began in Marx's own lifetime making sense from a materialist perspective of the second law of thermodynamics. Levins and Lewontin (1980, 2009), the dialectical biologists, note how open and holistic Marx's system is, avoiding reductionism and simple binaries, a view endorsed by Keller and Gollev (2000), Loehle and Pechmann (1988) and Shapere (1974) scientists who take Krauss's (2021) advice and follow the science pointing to the costs of inaction against capitalist climate change. The key point here is the multi-causal and holistic application of dialectical method in the physical sciences based on social relations of production and relations of reproduction interaction.

3.3.5 Critiques of Political Economy

Naturally Marx and Engels linked these views to political economy including their critique of Malthus's overpopulation thesis drawing on their friend Lankester's (1907) epidemiological-based criticisms of social conditions (he was the only person at both Marx and Darwin's funerals), and William Morris's (2010) call for artistic renewal in dis-alienated existence. As Laurent (2020) points out our shared natural heritage is being squandered for the benefit of the rich elite and increasingly not even to the benefit of national production but international fictitious capitalists, who as Christophers (2023) notes hold in their portfolios, private rights to important

natural resources which they then rent out for exploitation. While denialists continue their propaganda they present no alternative body of scientific research leading most scientists to conclude that the debate on human (capitalist) causation of climate change is closed.

3.3.6 *Technological Determinism*

There are always paths not taken Ricoeur (1995) in social and technological change, and life! Malm (2016) points out how at one stage waterpower appeared superior to coal and steam. Koskimies and Kinder (2022) note how current AI-enabled public services always have options of algorithms and databases. Darwin emphasised chance in variation and selection. In human affairs, while *free will* is never free and always influenced by context and culture, decision scope introduces unpredictability; thankfully since it can result in innovation; Epicurus's *swerving atoms*. Within big systems, Winner (1977) notes, path-dependency occurs, examples being the QWERTY keyboard, railway gauges and human–computer interfaces all examples of locked-in technologies. For Marx, relations of production and reproduction social relations must correspond if growth is to occur, since correspondence is non-determinant, this is one of the major contradictions in capitalism, especially when interfacing with natural systems, which too have their own dialectics of change.

Hunger and Natural Environment

The most basic and horrific alienation from the natural environment is famine. Along the beach at the port of Cobh in the south of Ireland are a series of idyllic-looking sand dunes or mounds. Except these are famine mounds, each one composed of tens of thousands of Irish people who drifted towards the port hoping to catch a boat to America but dying of hunger at the last hurdle. Each one not a statistic, but a real living person. As David Rieff (1995) argues, most famines are directly or indirectly man-made. In current times, caused by war (Collier's 2008 bottom billion), debt and loss of livelihood (George 1977, 1992), displacing food by cash-crops (Gorz 1985a, b), enforced over-production causing erosion or desertification (Lappe and Collins 1980; Burbach and Flynn 1990), and market failure (Tudge 1979) or more recently global warming: too hot (DRC), too dry (Sudan). It is a proud boast of India, that since independence there have been no famines, whereas under British rule capitalist agriculture resulted in periodic famine.

Soviet Environmentalism

Lenin followed Marx and Engels in accepting that the natural environment imposes constraints on socio-economic development, constraints that long-term rational planning would address, he disputed with comrades (Lenin (V-31), such as Bogdanov who accepted Podolinski's theory, remembering that neither had access to Marx's correspondence. Lenin rejected anarchistic ideas that socialism meant sacrificing economic development and development of productive forces to leave the environment untouched—the *Proletkul't* movement. Instead, while embracing

planning, Lenin supported the *zapovedniki* (commandment, meaning environmental protection area) initiative creating nature reserves, following the USA Yellowstone Park (1872). By 1927, 29 areas covering 3 million hectares were created, with 12 more at planning stage (Carr and Davies 1974). Soviet Russia also created hundreds of game reserves (*zakazniki*) and picnic areas *monuments to nature*. In total, 7-million hectares were designated areas of environmental protection saving animals such as beaver, saiga, moose and egrets from extinction. With Lunacharskii's support, research projects flourished—for example, the Astrakhan and Caucasus *zapovednik*, with pioneering work by Severtsov on animal population dynamics. As Weiner (1984) notes, the 1920s saw Soviet scientists making important breakthroughs including Vernadskii's geo-chemistry research on the concept of the biosphere and Stanchinskii's mathematical modelling on energy flow and trophic levels in ecosystems. Progress ended after Stalin's rise to power embracing ideology such as Lysenko's biology. Support for environmentalism returned following Khrushchev's 1956 speech (the VOOP), however by the 1970s industrial development was again privileged as Boris Vasiliev et al. (1975) *Don't Shoot at White Swans* argues. Komarov (1978) points to a destruction of nature by chemicalising agriculture in the Soviet Union and projects such as the Kapchagai Power Plant destroying the Ili River and Lake Balkhash the result of artificial targets (Oldberg 1985) and undemocratic planning (Pryde 1991). 5% of forest was decimated between 1963 and 1968 (Medvedev 1990), with the foremost Soviet ecologist Ursal (1983) arguing *only collapse of the capitalist system and victory of socialism throughout the world will create a general, fundamental, social opportunity for rational use of natural resources and the highest degree of optimum interaction with nature*. Ursal is correct and those such as Klein (2019) who argue that stiffer regulation will prevent environmental destruction are wrong since as Smith (2016) argues green capitalism has failed. Mészáros's (2022) makes the same critique, though with less integration of political economy.

This section has elucidated Marx and Engels commitment to the natural environment and critique of capitalism as robbing both workers and nature. In doing so they apply dialectical change to both natural and socio-economic change. Conceptualising a metabolic rift widening as more is taken from nature than it can sustainably give, we conclude that the natural environment is at risk so long as capitalism continues.

3.4 Marx and Engels on Labour and Nature

Would you sell your wife or husband or partner for \$600,000—the price that American happiness economists put on a relationship? Are the young people in Kutupalong refugee camp selling their kidneys for \$250 asking too little, or too much? What price a child bride from Thailand? How much is an extra year of life worth? We know Oscar Wilde's quip about *knowing the price of everything and the value of nothing*; how is value to be measured? Marx is in a long line of philosophers from Aristotle, through Locke, Adam Smith and David Ricardo arguing that

the amount of labour taken to create a product determines its value: perhaps in equivalent labour hours in other products. Capitalist ideology insists that the value of anything is determined by its market price.

The native Africans Guyer (1995) records forced by British colonialists to produce inedible cash-crops instead of producing to feed a family could not understand market economics. Neither could the Indians in Bengal forced off their farms so that larger farm units could grow cotton. All these people joined landless labourers, Wood (1999, 2012) records as the result of land enclosure and capitalisation of agriculture, left with no alternative but to work for wages, no longer in control of the means of production: producing EVs for capitalists instead of UVs feeding families and community. Part of Marx's critique of urbanisation was shifting families from units of production and consumption into dependent units of only consumption, though as discussed below, this position is now changing.

The LTV is a cornerstone of Marx's system: explaining production of PV by the public sector, families and 3S as use-value, market commodities (EV) and exploitation (SV). It is the TRPF that herald crises in capitalism. By equating value with price, all this subtlety is lost by bourgeois economics. All value creation involves labour working on natural artefacts. The wood laid on the ground has no value, the labourer picking it up and using it gives the wood UV, if contrived into a wooden stool and sold on the market, it has EV, if used in a public nursery, the stool has PV. The natural environment then provides *inputs* into every creation of UV, EV and PV. Nature is represented in the outputs of labour working: UV, EV or PV. How sustainable nature is, for example the peaceful and healthy environment in which the *transformation* occurs is the result of public services regulating (in this example) how much wood can be taken, the governance and conduct of the stool market, the scale and scope of public nurseries. Marx was concerned that the growth of urbanisation would detrimentally impact the natural environment, a prediction surely verified.

3.5 Marx's Method: The Dialectics of Social and Natural Change

Ideals: Ilyenkov: Dialectics and Ideals

Dialectics, which Marx adopted from Hegel (MECW-I), introduces a historicising perspective and the notion of constant change, driven for Marxists by materialist and class-based human agency, events and interpenetration and interrelationships with natural objects, which as Engels (MECW-25) emphasises includes humans. Dialectics rejects binary choices and reductionist explanation and instead embraces complexity, multi-causality and non-linearity (Allen and Starr 1982). As Blunden (2012) notes, dialectics is akin to ecosystems in that there can be no single centrally controlled element (as there is in networks), since each agent in dialectical interaction is self-organised, though of course socially influenced. As Ilyenkov (2008,

2020) points out, dialectical analysis seeks out the germ-cell essence of any social situation, rejecting simplistic causal explanations and ideals. Ideals become ideology; they are sets of interrelated ideas (forming concepts) that explain the world by reference to external forces such as God, 'the market' or efficiency imperative. Ideals are external impositions *outside-the-head*, rather than *inside-the-head* cognitions and emotions found in a materialist analysis. For Foster (2020) and Burkitt (2014), dialectics always features humans working with natural artefacts. Bhaskar (2008, 2010) states that dialectics side-step the search for ontological certainty and instead embrace methods of research that accumulate knowledge—its focus is on epistemology.

Here we use Vygotsky's (1928) approach to social learning, which emphasises emotions and sensemaking, using what Engeström and Keroua (2007) term *expansive cycles of learning* to dig into the root causes of public service issues, Odum's (1977) analysis of public service protection of coral reefs is an example of dialectical digging. Whereas traditional formal logic adds no new knowledge to what is contained in the propositions, fruitful dialectical analyses can predict social change. As Ilyenkov (2008) explains, dialectics avoids the empiricist trap (assuming tomorrow will be like today) and regards positivism as an idealist method, as it denies the need to interpret cumulated 'facts' or data. As Laszlo (1971) and Levins and Lewontin (1980) argue, dialectics rejects binary choices or abstract deductions and adopts mind experiments and cross-referencing to create plausible stories capturing the essence of social problems; it is therefore well suited to analysing the often-complex issues addressed by public services. Ilyenkov emphasises dialectical analysis moves from the abstract to the concrete, always seeking the causes of transitions and regarding any conclusion as transitory: equilibrium is foreign to dialectical analysis. Taking Marx's *Capital* as an example, his abstract analysis of the commodity, references the logic-of-practice in exploitation and swiftly links surplus-value to the concrete life-as-lived of working-class people.

Drawing on Engels; *Dialectics of Nature*, Fig. 3.1 captures in a simplified way the approach here to analysing public services. Beginning at left the problem is historicised and grounded in a particular context and culture. Digging beyond mere appearance into the essence of the issue, variables, causes and boundaries distinguish the determinant from the determined. Potentialities and transformative innovation and change are examined, including contradictory and correspondent co-value new public service solutions. Methodologically, issues are framed in ways that solve the various problems creating the issue, paying attention to understandability from a service user's perspective and the sequencing of the social change. Kinder (2018) showed how dialectical analysis can be fun in multidisciplinary playing with terminology and existing structures. Some people may find Engel's (1895) three law of dialectics too compacted: (quality to quantity, opposites interpenetrate, and negation of negation). This book follows Carchedi's (1987) emphasis on the clash of ideas, progress arising from conflict—ideas of double determination. Section 3.6 unpacks the 'unity' shown at the centre of Fig. 3.1 by taking individual agents and their learning around public service issues.

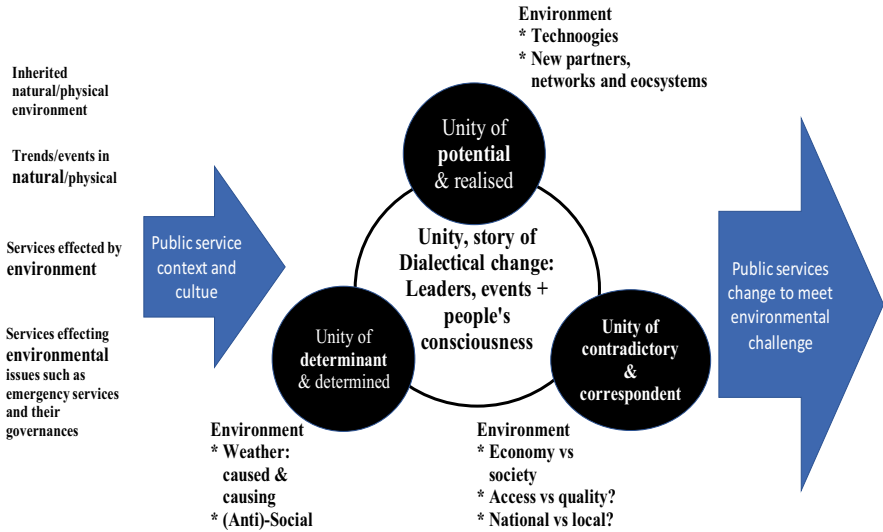


Fig. 3.1 Dialectics as theory (public services and natural environment)

It is often said that *it will be alright in practice but what about in theory?* Our focus is on using dialectical analysis to solve real-world problems, if the method is expressed in metaphors or allusions to feelings, this should not be problematic. Below is a summary of the concepts in dialectics expressed in philosophical language (taken from Kinder et al. 2022).

- **Unity of potential and realised:** Of the variables that exist some will continue, some become redundant, and some be part of new unfolding solutions of how public services and the environment interact. For example, IT technology. Some IT is old and discarded. Some current databases will continue in use. Some IT will be reprogrammed (perhaps using algorithmic AI) and form part of how future public services respond to environmental challenges.
- **Unity of determinant and determined:** Some variables will bring other variables into play, while other variable will be those brought into play, potentially each influencing all the other variables. Dialectics aims to identify the seed variables that cause change across the ecosystem or ‘reverse-salient’ acting as barriers to change. Can segregation be automated, entirely? Can partner organisations use recycled plastics?
- **Unity of contradiction and correspondence:** Just as production regime and social reproduction are best aligned (corresponding) for sustainability at a macro level, so too locally public services complement and help resolve environmental issues or are contradictory and exacerbate the issues. Can we eradicate the contradictions and amplify the complementarities? For example, car congestion causes frustration, ill-health and pollution. Road-pricing or allowing only off-street parking can contradict with social equality goals. Long-term education

projects in which schools help. Can peripheral park-and-ride bus/tram arrangements complement policies such as car-free housing planning and reduced on-street parking?

An interpenetrating, mutually responsive rainforest or human ecosystem around a public service are good examples of dialectics in practice. Idealist dialectics, not rooted in material reality continue feature in social analysis; the next chapter reviews Yeoman (2019), Schatzki (2019) and Lebowitz (2003, 2011) arguing that their approach to social change is idealist.

Africa's Green New Deal

The interpenetrating, multi-layered, multilevel, dynamic nature of contradictions in capitalist development, featuring class conflicts, is sharply posed for all developing countries, which face the power of imperialists actively distorting their development. Green economic development, meeting UN carbon neutral goals by 2050 adds to this dialectical mix. Take for example issues associated with African countries' development many of which are reeling from the effects of Covid or AIDs. Current African per capita CO₂ emissions fall below those of developed countries, as do historic and cumulative emissions. As Usman et al. (2021) point out, this supports their claim to use carbon-intensive resources for power generation or exports. UN COP seeks to impose caps on emissions. Although 57% SSA no grid access and even low growth rates require significantly more energy generation local bourgeoisie fight to retain carbon extraction—currently 60% of investment is in fossil fuels and mineral extraction (Hogl et al. 2012). Little of the UN COP promised aid has materialised. Ecologically sound industrialisation is possible with micro and localised generation using solar and wind to supplement declining use of fossils. However, any route requires outside investment to this end and not to the end of short-term profit in carbon or mineral extraction. The dialectics of imperialism and development dominate any development, green or not governing the scale and scope of public services in ex-colonial states.

3.6 Dialectics, the Natural Environment and Public Services

This wide-ranging chapter has surveyed research on environmental challenges arguing that dialectical materialism offers a grounded framework for their analysis (LO-1). Denialist and anti-Marxist critiques have been answered, particularly those relating to the labour theory of value and Marx's abstract/concrete approach to commodities (LO-2). Meeting environmental challenges centrally involves public services at all stages of development offering opportunities in some countries for leapfrogging technologies (LO-3), though the heavy hand of imperialism and neo-liberalism are barriers for many countries, especially those dependent on export of carbon-based materials. Talk of imperialists funding a green new deal, for example for African countries joins a long list of broken promises (debt relief, poverty alleviation). Lack of capital investment in education and infrastructure, along with the

distortions arising from neoliberal institutions, remains a barrier to growth (LO-4). This chapter has argued that Marxist dialectics is a key tool for public services and especially so in public services where involvement in learning by service users can help design processes (LO-5). However, socio-economic policies continue to be unhelpfully based on idealist precepts that cloud deeper change processes.

Environmentally the nine planetary boundaries set by the IPPC are being exceeded, these are climate change, ocean acidification; ozone layer destruction; biosphere integrity; bio-chemical flows; land-system change; fresh-water use; aerosol loading, and novel entities. Capitalist corporations are the main cause (noting consumption). In Daly's (1973) terms, the rate of use of nature's free gifts exceeds sustainable replenishment. In the Anthropocene era, particularly Foster and Clark's (2021) sub-era, *Capitalinian*, global warming is not human-caused but capitalist-caused. Much of the emissions from developing countries originate from imperialist investment, as Malm (2016) suggests—for example, this applies to half of China's emissions. Associated with this investment in developing countries are low wages and conditions akin to those in early capitalist development in Europe and the USA, Morris's (2010) *factory hell*.

Morris also noted that socialism offers an *earthy paradise*. For example, the Sun's energy strikes the planet greater in 1 h than entire population uses in a year, massive public service investment is needed to capture this energy for 24-h use, applying leapfrogging technology in developing countries. Already China has more solar energy generation than the rest of the planet in total; however, as Rodney (1972) showed in *Europe Underdeveloped Africa*, underdevelopment continues as neoliberal policies are imposed, forcing production for export and weakening public services and instead Africa may face a major environmental refugee crisis.

Marx offers an analytical framework centrally featuring the idea of a widening metabolic rift caused by capitalist production for profit rather than sustainable production meeting social need and only sustainably using the free gifts of nature. He frames this in terms of contradictions between social relations of production and relations of reproduction, for example in *Capital* (V-I:812) on sanitary conditions and water supply. Engels' *Dialectics of Nature* argues that dialectical materialism explains change in both matter-in-motion (nature) and social affairs. Kovel (2007) and Martinez-Alier (2004) misread Marx's *abstract* value theory and ignore his *concrete* theory, in which nature (including humans as part of nature) features centrally in the production and distribution of commodities. Alternatively, scientists such as Lewontin (1993) and Prigogine (1977) favourably deploy Marx's dialectical method. As Wendling (2003) argues, historical materialism enables a non-deterministic analysis of technology, including production regimes that impact the natural environment. Others, such as Jackson (2017) convincingly argues that growth/no-growth, from a dialectical perspective is a false binary, when new political arrangements could enable growth without environmental degradation. For example, as Christophers (2018a, b) argues, natural capital by fictitious capital exacerbates depletion of natural heritage, when planned investment in solar and wind generation offers alternatives. De-growth leaves those hungry or in poverty in developing countries bereft of hope. The basic problem as Carchedi and Roberts

(2023) argue is a failing capitalist system, characterised by a falling rate of profit and absence of investment opportunities. Capitalist enterprises under current institutional arrangements without accountability continue polluting, what Mészáros (1995) calls *unconstrained expansionism*.

We now turn to dialectics in social affairs, highlighting the role of public services and noting that the same dialectical processes apply, including the absence of equilibrium, class conflicts, contradictions between the social relations of production and reproduction and the multi-layered and multilevel interpenetration of drivers and historical heritage shaping change.

References¹

- Abercrombie N (1980) *The dominant ideology thesis*. Allen & Unwin, London
- Adamson P (2016) *Classical philosophy*. OUP
- Aglietta M (1979) *A theory of capitalism regulation*. Verso, London
- Allen TFH, Starr TB (1982) *Hierarchy: perspectives for ecological complexity*. Chicago University Press, Chicago
- Althusser L (1969) *For Marx*. Allen Lane, London
- Althusser L (2014) *On the reproduction of capitalism: ideology and ideological state apparatuses*. Verso, London
- Amin S (2014) *Theory is history*. Springer, Berlin
- Anderson RV, Gallman RE (1977) Slaves as fixed capital: slave labor and southern economic development. *J Am Hist* 64(1):24–46
- Avineri S (1968) *The social and political thought of Karl Marx*. Cambridge University Press, Cambridge
- Baran P, Sweezy P (1990) *Monopoly capitalism*. Monthly Review Press, New York
- Barth H (1976) *Truth and ideology*. University of California Press, Berkeley
- Bell D (1960) *The end of ideology: on the exhaustion of political ideas in the fifties*. Harvard University Press, London
- Bhaskar R (1993) *Dialectic: the pulse of freedom*. Verso, London
- Bhaskar R (2010) *Reclaiming reality: a critical introduction to contemporary philosophy*. Routledge, London
- Bhattacharya T (ed) (2017) *Social reproduction theory: remapping class, recentring oppression*. Pluto Press, London
- Bhattacharya N (2019) *The great agrarian conquest—the colonial reshaping of the rural world*. SUNY Press, Albany, NY
- Bhaskar R (2008) *Dialectic: the pulse of freedom*. Routledge, London
- Blackburn R (ed) (1979) *Ideology in social science*. Fontana, London
- Blunden A (2012) *Concepts – a critical approach*. Haymarket Books, Chicago, IL
- Bourdieu P (1984) *Distinction*. Routledge, Abingdon
- Buck HJ (2019) *After geo-engineering climate tragedy, repair, and restoration*. Verso, London
- Burbach P, Flynn P (1990) *Agribusiness in the Americas*. Monthly Review Press, New York
- Burkett P (1999) *Marxism and ecological economics*. Brill, Boston, MA

¹ To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, *Capital* is volumes 35, 36 and 37 e.g. MECW-35 for volume-1 of *Capital*. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Burkitt P (2014) Relational agency. *The Palgrave Handbook of Relational Sociology*, vol 4, pp 523–538
- Burkett P, Foster JB (2008) The Podolinsky myth: an obituary. *Hist Mater* 16:115–161
- Bushman RL (1967) From puritan to Yankee—character and social order in Connecticut 1690–1765. Harvard University Press, Cambridge, MA
- Camus A (1957/2002) *The plague*. Penguin, London
- Carchedi G (1987) *Class analysis and social research*. Blackwell, Oxford
- Carchedi G (1991) *Frontiers of political economy*. Verso, London
- Carchedi G (2012) *Behind the crisis—Marx’s dialectics of value and knowledge*. Haymarket Books, Chicago, IL
- Carchedi G, Roberts M (eds) (2009) *World in crisis—a global analysis of Marx’s law of profitability*. Haymarket Books, Chicago, IL
- Carchedi G, Roberts M (2021) The economics of modern imperialism. *Hist Mater* 29(4):23–69
- Carchedi G, Roberts M (2023) *Capitalism in the twenty-first century—through the prism of value*. Pluto Press, London
- Carr EH, Davies RW (1974) *A history of Soviet Russia: foundations of a planned economy*, vol 1. Penguin, London
- Chang H-J, Graebel I (2004) *Reclaiming development*. Zed Books, London
- Christophers B (2018a) *Banking across boundaries: placing finance in capitalism*. Wiley-Blackwell, Chichester
- Christophers B (2018b) *The new enclosure—the appropriation of public land in neoliberal Britain*. Verso, London
- Christophers B (2023) *Our lives in their portfolios*. Verso, London
- Collier P (2008) *The bottom billion: why the poorest countries are failing and what we can do about it*. Oxford University Press, Oxford
- Croix GEM (2001) *Class struggles in the ancient Greek world*. Duckworth, London
- Daly H (ed) (1973) *Towards a steady state economy*. Freeman, San Francisco
- Divine T (2015) *Recovering Scotland’s slavery past*. Edinburgh University Press, Edinburgh
- Dosi G, Freeman C, Nelson R, Silverberg G, Soete L (1988) *Technical change and economic theory*. Pinter, New York
- Eagleton T (1991) *Ideology: an introduction*. Verso, London
- Ellner S (2021) *Latin American Extractivism*. Rowman & Littlefield, London
- Eltis D (1988) The Economic Impact of the Ending of the African Slave Trade to the Americas, 37:1/2, *Caribbean Economic History*, March–June, pp 143–172
- Engels F (1845/1968) *Socialism Utopian and Scientific*. Lawrence and Wishart, London
- Engels F (1895) *Dialectics of nature*, (accessed 201031) available at <https://www.marxists.org/archive/marx/works/download/pdf/dialectics-nature.pdf>
- Engeström Y, Keroua H (2007) From workplace learning to inter-organisational learning and back: the contribution of activity theory. *J Work Learn* 19(6):336–342
- Engeström Y (1987) *Learning by expanding – an activity-theoretical approach to development research*. Orienta-Konsultit, Helsinki
- England WR, Bluestone B (1973) *Ecology and class conflict*. In: Daly H (ed) *Towards a steady state economy*. Freeman, San Francisco, pp 190–214
- Epicurus (2012) *The philosophy of Epicurus (selected writings)*. Dover, London
- Fogel RW, Engerman SL (1974) *Time on the cross: the economics of American Negro slavery*. W. W. Norton & Company, New York
- Foster JB (2000) *Marx’s ecology—materialism and nature*. Monthly Review Press, New York
- Foster JB (2020) *The return of nature: socialism and ecology*. Monthly Review Press, New York
- Foster JB, Burkett P (2018) Value isn’t everything. *Monthly Review*, November, pp 1–37
- Foster JB, Clark B (2021) The Capitalinian: the first geological age of the anthropocene. *Mon Rev* 73(4):1–16
- Frank AF (2000) *The development of underdevelopment*. Routledge, London
- Fukuyama F (1992) *The end of history and the last man*. The Free Press, New York

- George S (1977) *How the other half dies: the real reasons for world hunger*. Penguin, London
- George S (1992) *The Debt Boomerang*. Pluto Press, London
- Goldsmith E (1980) Pesticides generate pests. *Ecologist* 10(3):94–97
- Gorz A (1985a) *Ecology as politics*. Black Rose Books, p 65
- Gorz A (1985b) Their famine, our food. In: *Paths to paradise*. Pluto Press, London, pp 92–100
- Gramsci A 1971 (1939–1935) *Prison notebooks*. International Publishers, New York
- Guyer JI (ed) (1995) *Money matters: instability, values and social payments in the modern history of west African communities*. Heinemann, London
- Hanke L (1949) *The Spanish struggle for justice in the conquest of America*. University of Pennsylvania Press, Philadelphia
- Hazelrigg (2012) Developments of analytical logic and dialectical logic with regard to the study of process dynamics. *Curr Perspect Soc Theory* 30
- Hogl K, Kvarda E, Nordbeck R, Pregernig M (eds) (2012) *Environmental governance: the challenge of legitimacy and effectiveness*. Edward Elgar, Berlin
- Howe DW (2007) *What Hath God wrought—the transformation of America, 1815-1848*. Oxford University Press, Oxford
- Ilyenkov EV (2008) *Dialectical logic—essays on its history and theory*. Aakar Books, Delhi
- Ilyenkov EV (2020) *Intelligent materialism—essays on Hegel and dialectics*. Haymarket, Chicago, IL
- Inca (2022) Inca Nature Conservation Association. <http://www.inca.uk.com>. Accessed 10 March 2022
- Jackson T (2017) *Prosperity without growth*. Routledge, London
- Jakubowski F (1990) *Ideology and superstructure in historical materialism*. Pluto, London
- Jameson F (2005) *Archaeologies of the future: the desire called utopia and other science fictions*. Verso, London
- Joravsky D (1966) Soviet ideology. *Soviet Stud* 18:XXX
- Kamenka E (1969) *Marxism and ethics*. Palgrave Macmillan, New York
- Katz MB, Stern MJ (2023) *One nation divisible: what America was and what it is becoming*. Russel Sage, New York
- Keller DR, Gollev FB (eds) (2000) *The philosophy of ecology*. University of Georgia Press, Athens
- Khrushchev's (1956) Secret Speech, available at <https://www.marxists.org/archive/khrushchev/1956/02/24.htm>
- Kinder T, Six FE, Stenvall J, Memon T (2018) Governance, trust and learning—a new framework and study of governance as legitimacy in Finland and England. In: *International Symposium on implementing collaborative governance, The University of Palermo (Italy) 25–26 October 2018*
- Kinder T, Stenvall J, Koskimies E (2022) Everyone a philosopher? Learning during AI innovation. University of Tampere, Working Paper
- Klein N (2019) *On fire—the burning case for a green new deal*. Penguin, London
- Komarov B (1978) *The destruction of nature in the Soviet Union*. Pluto Press, London
- Koskimies E, Kinder T (2022) Mutuality in AI-enabled new local public service solutions. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2022.2078501>
- Kovel J (2007) *The enemy of nature: the end of capitalism or the end of the world?* Zed Books, New York
- Krauss LM (2021) *The physics of climate change*. Apollo, London
- Laclau E (1990) *New reflections on the revolution of our time*. Verso, London
- Lankester ER 1907 (2019) *The kingdom of man*. Archibald Constable, London
- Lappe FM, Collins J (1980) *Food first*. Abacus, London
- Laszlo EV (1971) Systems philosophy. In: *Main currents in modern thought*, vol 28. University of Minnesota, pp 55–60
- Laurent E (2020) *The new environmental economics: sustainability and justice*. Polity Press, Cambridge
- Lebowitz M (2003) *Beyond 'capital': Marx's political economy of the working class*, 2nd edn. Palgrave MacMillan, Basingstoke

- Lebowitz M (2011) Socialism for the twenty-first century and the need for socialist globalisation. *Int Crit Thought* 1(3):249–256
- Levins R, Lewontin R (2009) *The dialectical biologist*. Aakar Books, Delhi
- Levins R, Lewontin RC (1980) Dialectics and reductionism in ecology. *Synthese* 43:47–78
- Lewontin R (1993) *Biology as ideology*. HarperCollins, New York
- Loehle C, Pechmann JHK (1988) Evolution: the missing ingredient in systems ecology. *Am Nat* 132:884–899
- Lovelock J (1964) *The Ghia thesis*. Oxford University Press, Oxford
- Lucretius (1969) *On the nature of things* (Smith translation). Heckett, Cambridge
- Lukács G 1953 (1980) *The destruction of reason*. Merlin, London
- Lukes S (1974) *Power: a radical view*. Macmillan, London
- Macpherson CB (1962) *The political theory of possessive individualism: Hobbes to Locke*. Oxford University Press, Oxford
- Malm A (2016) *Fossil capital: the rise of steam power and the roots of global warming*. Verso, London
- Marini RM (1973/2022) *Dialectics of dependency*. Monthly Review Press, New York
- Martínez-Alier J (2004) Marx, energy and social metabolism. *Encyclopedia Energy* 3:825–834
- Medvedev ZA (1990) Environmental destruction of the Soviet Union. *Ecologist* 20(1):24–29
- McLennan G (1973) *Maintaining Marx*. Sage, London
- Menon J, Athukorala P, Bhandari S (2006) *Foreign direct Investment in the Mekong Region*. Asian Development Bank, Manila
- Mészáros I (1970) *Marx's theory of alienation*. Merlin Press, London
- Mészáros I (1995) *Beyond capital—towards a theory of transition*. Merlin Press, London
- Mészáros I (2022) *Beyond leviathan—critique of the state*. Monthly Review Press, New York
- Micklethwait J, Wooldridge A (2020) *The wake-up call—why the pandemic has exposed the weakness of the west and how to fix it*. Short Books, London
- Middlekauff R (2005) *The glorious cause—the American Revolution 1763–1789*. Oxford University Press, Oxford
- Morgan ES (1975) *American slavery, American freedom*. Norton, New York
- Morris W (2010) *William Morris complete collection*. OffPrint Press, London
- Mouffe C (1993) *The return of the political*. Verso, London
- North DC (1961) *The economic growth of the United States, 1790–1860*. Harper & Row, New York
- Northrup D (1995) *Indentured labour in the age of imperialism, 1834–1922*. Cambridge University Press, Cambridge
- Odum EP (1977) The emergence of ecology as a new integrative discipline. *Science* 197:1289–1293
- Ohlson K (2014) *The soil will save us*. Rodale, New York
- Oldberg I (1985) Planned economy and environmental problems: Eastern Europe from a comparative perspective. In: Bailes KE (ed) *Environmental history*. University Press of America, Lanham, pp 293–333
- Ollman B (1976) *Alienation: Marx's conception of man in capitalism society*. OUP, Oxford
- Oshry B (2018) *Context, context, context—how our blindness to context cripples even the smartest organisation*. Triarchy Press, Axminster
- Perkins S (1993) *Marxism and the proletariat: a Lukacsian perspective*. Pluto Press, London
- Podolsky S (1883/2016) Human labour and the Unity of physical forces. In: *Marx and the earth*. Brill, pp 262–287
- Prigogine I (1977) *Order out of chaos: Man's new dialogue with nature*. Flamingo, New York
- Pryde PR (1991) *Environmental Management in the Soviet Union*. Cambridge University Press
- Rababah HA (2015) The translation movement in the Arab world: from pre-Islamic era until the end of the Umayyad Dynasty (before 610–750 AD). *Int J Lang Linguist* 3(3):122–131
- Reay DS (2009) *Your planet needs you*. Macmillan, London
- Ricoeur P (1995) *A Ricoeur reader: reflection and imagination*. University of Toronto Press
- Rieff D (1995) *The reproach of hunger: food, justice and money in the twenty-first century*. Verso, London

- Roberts M (2016) *The long depression—how it happened, why it happened and what happens next*. Haymarket Book, Chicago, IL
- Roberts M (2024) Fixing the climate. <https://thenextrecession.wordpress.com/2024/06/23/fixing-the-climate-it-just-aint-profitable/>. Accessed 24 June 2024
- Rodney W (1972) *How Europe underdeveloped Africa*. Verso, London
- Sartre J-P (1976) *Critique of dialectical reason*. Verso, London
- Sayers S (2011) *Marx and alienation: essays on Hegelian themes*. Palgrave Macmillan, Basingstoke
- Schatzki TR (2019) *Social change in a material world*. Routledge, New York
- Shackle GLS (1972) *Epistemics and economics—a critique of economic doctrines*. Cambridge University Press, Cambridge
- Shapere D (1974) On relations between compositional and relational theories. In: Ayala FJ, Dobzhansky T (eds) *Studies in the philosophy of biology*. University of California Press, Berkeley, CA, pp 187–204
- Sharp L (1952) *Steel Axes for Stone-Age Australians*. Human Organisation, University of Minnesota Press, Minnesota
- Smith J (2016) Imperialism in the twenty-first century—globalisation, super-exploitation and capitalism's final crisis. Monthly Review Press, New York
- Tawney RH (1956) *Religion and the rise of capitalism*. Mentor Books, London
- Thompson EP (1967) *The making of the English working class*. Pelican, Harmondsworth
- Thompson EP (2013) *Whigs and hunters—the origin of the black act*. Breviary Staff Publications, London
- Timpanaro S (1980) *On materialism*. Verso, London
- Tinker H (1974) *A new system of slavery; the export of Indian labour overseas, 1830–1920*. Randon, London
- Tudge C (1979) *The famine business*. Penguin, London
- Ursal AD (ed) (1983) *Philosophy and the ecological problems of civilisation*. Progress Publishers, Moscow
- Usman et al (2021) What does the European green deal mean for Africa? Carnegie Endowment for International Peace
- Vasiliev B, Danilov V, Likharev K (1975) On some aspects of superconducting quantum interferometer optimization. *IEEE Trans Magn* 11(2):743–748
- Vernadsky VI (1945) The Biosphere and the Noosphere. *Sci Am* 33(1):1–12
- von Liebig J (1842) Animal chemistry, or, organic chemistry in its applications to physiology and pathology. https://en.wikipedia.org/wiki/Justus_von_Liebig
- Vygotsky LS (1928) *Thinking and speech, the collected works of LS Vygotsky: problem of general psychology*. Plenum Press, New York
- Vygotsky LS (1999) *Scientific legacy, vol. 6 of the collected works of L.S. Vygotsky*, ed. Robert W. Reiber, trans. Marie J. Hall. Plenum Press, New York
- Wallace R (2016) Big farms make big flu. Monthly Review Press, New York
- Wallace R (2020) *Dead epidemiologists: on the origin of COVID-19*. Monthly Review Press, New York
- Wallerstein I (1974) *The modern world system: capitalism agriculture and the origins of the European world economy in the sixteenth century*. Academic Press, New York
- Weber M (1978) Economy and society: an outline of interpretive sociology. In: *Service worlds: people, organisations, technologies*, vol 2. Routledge, London
- Weiner J (1984) The meaning and measurement of size hierarchies in plant populations. *Oecologia* 61:334–336
- Wendling AE (2003) *Karl Marx on technology and alienation*. Palgrave Macmillan, London
- Whyte D (2020) *Ecocide—kill the corporation before it kills us*. Manchester University Press, Manchester, England
- Williams E (1944) *Capitalism and slavery*. University of North Carolina Press
- Winner L (1977) *Autonomous technology, technics-out-of-control as a theme in political thought*. MIT Press, Cambridge, MA

- Wittgenstein L (1969) *On certainty*. J & J Harper, New York
- Wood EM (1999) *The origin of capitalism—a longer view*. Monthly Review Press, New York
- Wood EM (2012) *Liberty and property—a social history of Western political thought from renaissance to enlightenment*. Verso, London
- Worster D (1979) *Dust bowl: the Southern plains in the 1930s*. Oxford University Press, Oxford
- Yeoman R (2019) *Ethics, meaning and mutuality*. Routledge, London
- Žižek S (2017) *In defence of lost causes*. Verso, London

Chapter 4

Social Change, Public Services and Dialectics



Abstract The chapter explores wider social change and problem-solving: social change, both analysed using a social learning framework based on the ideas of Lev Vygotsky which is used to critique bourgeois ideas of social change such as Bourdieu, Toulmin, Schatzki and Yeoman. This social learning framework is a dialectical approach to problem-solving at all levels, shown as superior to muddling through and passive and active learning approaches to problem-solving, using examples from care for the elderly and use of AI in public services. Wider social change using collective agency (Trade Unions in workplaces or social movements) too can be interpreted using the social learning framework since learning from experience is essential to the consciousness raising needed to show that capitalism is a historical moment, not naturalistic, and can be replaced by a more rational and fair social system.

4.1 Introduction

It will be clear to readers that this text aims not only to persuade readers that Marx's theories and toolkit are relevant to understanding the world of public services, also it advocates for a socialist approach to delivery and expansion of public services. Chapter 2 considered these aims from the viewpoint of value, justifying a use-value perspective, and Chap. 3 focused on the natural environment and public services. This chapter turns attention to social interrelationships and public services: public services as mediating between individuals and social collectives; public services mediating objective (structures) and subjective (consciousness); public services as mediating the democratising the distribution of power and wealth; the transition from now to a brighter more socialist future; public services as mediation because they are sensitised to context and culture providing different routes forward and not supposed universally applicable recipes. The chapter is concerned with social change and problem-solving and therefore dialectics and their relevance to public services.

Why dialectics? The term is used here in Lenin's (V-38) sense to mean reasoning, rationality, logics; marshalling facts and arguments to gain best understanding and pointers to the way forward. Dialectics is most precious in times of class contradiction and crisis, offering a map and a compass: activities that exercise control and re-marshal material resources. This chapter shows that as a problem-solving tool dialectics are also useful for day-to-day problem-solving. It is perverse that capitalist economics searches for and celebrates equilibrium when in life-as-lived change is a constant. A recent analysis of problem-solving (Kinder and Stenvall 2023) speaks of (a) the *reverse-salient effect* (one part of a service system holds back other parts); (b) digging into problems uncovers previously unrecognised problems in service sub-systems (Engeström's [2011] *expansive cycles of learning effect*), and (c) new solutions give rise to new challenges and possibilities push against the root cause of the problem—the *dialectical effect*. One meaning of Rittel and Webber's (1973) *wicked problems* is that the things-to-do list is never empty. Unlike capitalist social theory, Marxist dialectics accepts change as constant, whether radical change (transformative) or incremental (gradual). Human societies always include the curious, entrepreneurial and innovative people, seeking as Inan (2012) argues, to identify, frame, reframe and solve problems. Problems may be social or economic, exogenous or endogenous.

Unlike mainstream social theory, dialectics presupposes conflict over what catalyses change, who benefits, the direction of change, its goals, attention to context and culture, programmed change or problem and citizen centred change. Social change is always multi-layered, for example, responding to technological opportunities changes power relations and organising structures: change here interpenetrates with change there, whether intended or not. Change as problem-solving begins by historicising the problem: what new solutions can be found? What are the root causes (germ-cell or teleology) of the problem? We already have some of the essential characteristics of dialectics: disequilibrium, conflict, multi-layered and interpenetrating impact, historicised problem analysis aiming to identify root causes. These are the tools of dialectics that Marx took from Hegel and which Lenin interpreted as a new form of logic, which unlike formal logic reveals more knowledge than is incorporated into the premises. Below we summarise some of the main arguments in relation to expanding public value (PV) as a transition route that will be met in this chapter. These are not a hierarchy of arguments, they are intended to show how in practical terms, with theoretical clarity dialectics can play an important part in solving social problems by expanding PV and in doing so build a platform for radical social change. This approach extends the argument for democratising public services, part of Keast's (2021) alternative to NPM.

Learning Objectives

We have four learning objectives and in addition a final section bringing together the contribution Marxism brings to understanding public services from the first four chapters of the book.

LO-4.1: To criticise naturalistic (said to be natural and unchallengeable) and a-historical conceptualisations of capitalism, including the relations of reproduction in which public services feature as mediating use-values, showing how alternative social relations can exist within the boundaries of non-market mediation offered as mutuality. In doing so, to illustrate how new social relations can overlap and grow out of dominant capitalistic social relations offering glimpses of dis-alienating activities in public service provision.

LO-4.2: Marx poses the issue of agent–structure interaction sharply in the nineteenth century: making history not in own choice circumstances, the tradition of dead generation weighs on brains of living. The knowledge and value generated by past generations of workers is now used against them in the form of capital and ideology. It is his solution to the issue that is lasting: blending consciousness with material reality. Hence the criticism of Elder-Vass’s idea of social learning being reduced to psychological *inner conversations* or the neglect of exploitative and oppressive structures in Archer (2000) and Bourdieu (1984). Drawing on previous work (Kinder et al. 2022a, b) this chapter is wary of ‘logics’ and all determinism in human affairs (fixed division of labour or property relations) and instead emphasises learning opportunities and consciousness changes enrolling people behind a vision of better public services and a better world.

LO-4.3: By critically evaluating non-dialectical change theories rooted in rational choice theory (Elster 1998) and idealism (Yeoman 2019; Schatzki 2019) to demystify dialectics as a practical everyday tool for problem-solving in local public services using examples from research in Finland on the ethical use of AI in public services and general cases from dialectical biologists Levins and Lewontin (1980) and Wallace’s *Big Farm, Big Flu* and *Dead Epidemiologists* as examples of dialectical problem-solving.

LO-4.4 Drawing on research over almost 20 years using Vygotsky’s (1934) social learning approach we present a framework for social learning during change, Weick’s (2015) *thinking in the midst of action* used (for example, Tirronen et al. 2020 to understand action learning by Social Workers, incrementally improving their services) and an associated typology of problem-solving, showing how the framework aids practice by referencing issues from homelessness in Finland and smart housing independent living. The framework brings together characteristics of dialectical problem-solving. This objective demonstrates the usefulness of Marxist framework problem-solving as an alternative to new public management (NPM), i.e. market solutions to problems.

Road Map

In reviewing literature on social change and problem-solving, what do we know, the chapter is structured the four learning objectives. Section 4.2.2 Public services and problem-solving; dynamic, opportunities exogenous and endogenous [empirical networks and ecosystems]; and Sect. 4.2.3 Individual/social agent dichotomy. We then explore how Marxist dialectics adds to theory of alienation, social change and public service problem-solving, including services as a mediating force.

4.2 What Do We Know?

Naturalistic

When the American philosophy Fredric Jameson quipped that, *It's easier to imagine the end of the world than the end of capitalism* he drew attention to how seemingly out-of-control capital accumulation and markets have become: that capitalism appears to be the natural order of things. Children dying for want of food that is thrown away in richer countries, rich people's bank accounts accruing unnecessary money when families miserably wonder how to pay the rent. Yet, capitalism may be uncontrolled, but it is not uncontrollable, social and economic relations are not static, in fact they are altering all the time, but in a direction that exacerbates rather than resolves big social issues. Public services are a key part of this solution because they could redistribute wealth and power, services such as health and education could equalise opportunity and life-chances and build part of a bridge to a socialist future.

Nicholas of Cusa, a German theologian, in 1440 wrote *De docta ignorantia: On Learned Ignorance* arguing that the learned person realises how much s/he does not know. He went on to argue that there are absolute mysteries, beyond mere human comprehension, we should just accept these as indisputable. Capitalist social theory adopts the same outlook, the socio-economic system is too complex and interconnected to be radically changed. We can challenge this by showing in practice how extending the range of UVs available to solve peoples' problems eats away at an out-of-control system, pointing to alternative, better future.

Capitalism appears naturalistic because it has an institutional and legal framework embedded in law giving employers the right to employ, discipline, instruct and dismiss—setting conditions in written contracts. Chapter 7 considers neoliberalism in more detail, here we note the deregulation and weakening of Trade Unions,

reconfiguration of markets to suit globalisation and financialisation. People accept austerity and dismantling of the welfare state because they see no alternative.

This chapter focuses on how and why social change occurs and how public services fit into these processes at interpenetrating levels such as ‘big’ issues like women’s oppression and racism and more focused issues such as responding to isolation and addictions. These and other complex problems can be solved; doing so challenges the continuation of capitalism and use of dialectical reasoning.

4.2.1 *Public Services and Dialectical Problem-Solving*

Here we explore public services as problem-solving in previous research.

Problems in Problem-Solving

- Framing problems creates an intellectual corridor within which a solution is sought. For example, Mills (1959) distinction between troubles (personal problems) and issues (social problems), which however can end up blaming the victim.
- Wagener and Gupta (2005) and Noveck (2021) say, clear problem definition elucidates problem-resolution.
- Mixing up cause and effect was recognised as an issue by Hume (1739): cause always comes before effect, however this is easier said than done: does inequality cause unhappiness, or unhappiness cause inequality?
- Early Social Workers (Bartlett 1958) saw their job as fitting deviants back into society, not challenging social structures. Instead, Epicurus and Marx insist and seeking the root cause of problems, which as Ilyenkov (2020) notes begins by historicising and contextualising problems.
- Descartes (2002) recommended breaking down problems into constituent parts, disaggregating the problematic into bite-sized bits, a method Moore (2018) endorsed, but as Dubert (1997) notes, reintegrating answers can be difficult: sub-sets, have sub-sets, especially.
- Merton and Barber (1959) notes, if a problem is interdisciplinary. Inan (2012:61) speaks of ‘*wh-questions*’—much like Kipling’s poem. A formulated problem is always a question, some problems are erotetic (clear cause-effect propositions with yes/no answer) while public services problem imply inostensible answers.
- North’s (1986) *rules of the game* or institutional setting often helps problem-solving. For neoliberals, such as Baumol (1967) and Osborne and Gaebler (1993) whatever the question, more market is always the answer.
- For ‘wicked’ (complex) public service problems (Rittel and Webber 1973), such as addictions, disengaged youth and loneliness, Tirronen et al. (2020) arguing over-simplification hides meaningful answers.

Box

In Kipling's 1902 *Just So Stories*, the Elephant Child, he recounts:

*I keep six honest serving men,
They taught me all I knew.
Their names are what and why and when,
and how and where and who.*

Our social learning viewpoint follows Engeström's (2007) concept creating *expansive cycles of learning* (digging to find the root cause). Another effect is the *reverse-salient effect*, i.e. digging into problems uncovers previously unrecognised problems in service sub-systems, and a third *dialectical effect* in problem-solving is uncovering dynamics and conflict as part of the solution to problems.

For Naïm (1999) *good trouble* or *bad trouble* meaning helpful or not in solving the original problem. If like Seddon (1990, 2008) public services problems are viewed as functional systems, then fixing the system becomes appropriate, even if it does not solve the problem citizens have: top-down system solutions are often like this, e.g., the targets that Power (2007) criticises or Morgan and Cooke's (1986) organisational symmetry. Overly tight work processes Goldratt and Cox (1993) argues can deny professionals time to properly analyse problems, resulting in *tick-boxing* with a similar result Csikszentmihaly (1991) says if work-flow is interrupted by too much administrative work.

A danger of AI is that while offering solutions to problems, it can deskill and de-professionalise, harking back to Braverman's (1974) critiques of automation deskilling. Eubanks (2017) highlights the hidden dangers in classifying life-events, categories or sequencing that can leave citizens floundering.

Doing the wrong thing more efficiently adds no value. Service processes clogged with cases unsatisfactorily dealt with during previous interactions (known as *demand failure*) only emphasise the importance of system effectiveness. Focus on problem solution requires redistribution of power to the point of citizen interaction, a challenge to hierarchic command-and-control bureaucracy.

In summary, having a clear and theoretically robust approach to problem-solving is essential if a lasting solution is to be proposed.

Problems in Problem-Framing

Table 4.1 suggests a typology of problem-framing as passive, active and dialectical problem-framing, with active problem-framing drawn from previous research arguing for reframing during learning processes.

For Bateson (1972) a frame is a context-creating device allowing the meaning of social action to be analysed using activities and interpretations relevant to its setting, denotating language meanings with (1) a set of factors (obscure causality) or variables (clear causality), (2) an activity boundary, and (3) presumed causal relationships to give *schismogenesis*, i.e. higher and lower order levels of understanding. Frame selection should be explicit and justified. Goffman (1974:21) integrated framing into wider social research as *schema of interpretation*; allowing researchers

Table 4.1 Typology of problem-framing

	Passive problem-framing	Active problem-framing	Dialectical problem-framing
Characteristics	• Ignore learning after project plan set (Kinder 2010) • Rational forbids (Kahneman 2023) subjective decisions	• New logic-of-practice knowledge internalised and implemented (Tönurist et al. 2017) • Real-time reframing (Klein et al. 2007) • Follows Grimmelikhuijsen and Klijn's (2015) reframing	• Synthesises social learning and dialectics: <i>social learning in motion</i> (Vygotsky 1934) • Allows/presumes conflicts between agents • New solutions grounded in logic-of-practice supported by collegial teams
Key authors	• Chesbrough's (2006) closed innovation • Ilyenkov (2008) criticises <i>non-critical positivism</i>	• Chesbrough's (2006) <i>open service innovation</i> • Argyris's double-loop learning • Uses service blue-prints and walk-throughs (Radnor et al. 2014)	• Vygotsky (1934) social learning • Ilyenkov (2008), Blunden (2012): dialectical logic Use of Engeström (1987) <i>expansive cycles of learning</i>
Implications	• Risks social rejection (Jorgsen and Bozeman 2007) • Cultural-centric (Rutgers 2008)—ignores context and culture after launch	• May still apply 'ideals' (Ilyenkov 2008) • Emotive factors influence mental modelling—Kahneman and Tversky (1979) • Sensitive to context and culture (Jilke et al. 2016)	• Historicises problems, digging for root cause layers of solutions relevant to context and culture and influenced by power, circles of control • Sensemaking by individuals using socially-understood frameworks, and metaphors then distributed to teams
Differentiation	• Fixed goals, time and task plan, go/stop points, evaluation • Inhibits value of learning	• Rejects Dean and Sharfman's (1993) procedural rationality • Limited over time, depth, and teleology	• Rejects: rationality, ideals, binaries, and equilibrium • Focus on material artefacts and events • Deeply digs out root causes of problems

to *locate, perceive, identify and label*; intended to answer the question *what's going on here* by foregrounding significances into primary frames (1974:21) *rendering what would otherwise be a meaningless aspect of the scene, into something that is meaningful*. As logic-of-practice emerges, frames should be adjusted, an approach encapsulated in Charmaz's (2006) constructed grounded theory. Absence of frame justification Entman (1991) argued, introduces bias; justification Schön (1983) says, is against alternative frames what Schön and Ren (1994) term *frame-reflective analysis* and involves Klein (2010a, b) *anticipatory thinking* and *rapid frame switching*. This protects against path-dependency (Kolko 2007). Charmaz's (2006) constructed grounded theory is based on this idea of an initial framework, tested against data, then reframed constituting the basis of further research (Bryant and Charmaz

2007), i.e. reliant on active sensemaking and abductive thinking: inductive and deductive (Ochs 1998).

Blunden (2012) and Ilyenkov (2008) insist with Engeström (2007) that dialectics involves active framing *and* identifying the root cause, ‘germ-cell’, of the problem. Teams or collegial discourse and critical evaluation are essential elements of consensual problem definition, accepting Watanabe’s (1994) point that lack of resources or expertise can make saturation difficult. One of the difficulties is using language, concepts and categories in the ‘old’ paradigm or system to describe carefully the newly envisaged problem. We suggest a typology of problem-framing intended to overcome these difficulties (Table 4.1).

This typology guides the problem-solving framework below. Our typology indicates the superiority of dialectical problem reframing rejecting equilibrium, avoidance of binary choices, a historical perspective, the possibility of conflict between agents and search for the root cause of the problem under investigation bringing into play context and the *rules of the game*. Research on applying AI to public service problem-solving found this frame usefully captures interaction between technical experts and experts-by-experience (Koskimies et al. 2023).

Circles of control (Fig. 4.1) draws attention to clarity over context and culture in which problem solvers operate implying self-awareness and self-consciousness in relation to structures and people, and Argyris’ (1977) double-loop learning

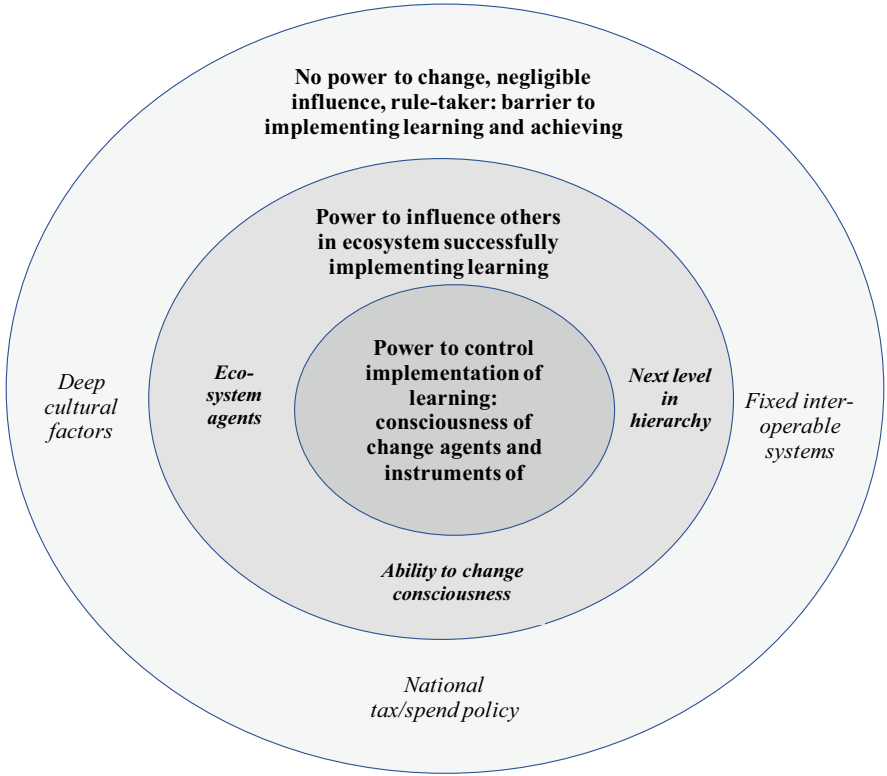


Fig. 4.1 Circles of control and problem-solving

capability, i.e. learning altering practice. Power to control in the centre is unlike engineering control (deterministic regularity), since all control in human ecosystems depends on some shared consciousness and collective activity; as South African's say, *ubuntu* (*I am, because we are*). Figure 4.1 illustrates perceived boundaries of power and not the ability to operate *within* spheres of power, i.e. focus is on what local agents can control, noting that over time (Fig. 4.1) circles may widen outwards. Covey (2014) argued that sometimes outer circles are used to abrogate responsibility, blaming others instead of lobbying for change.

Answering *what do Managers do* depends Bernstein (2000) argues, on the organisational form, professional culture and social interrelationships. As Daniels (2016) says, *everybody speaks from somewhere*: habitus (accepted unwritten rules) influence motivation and capabilities and in particular responsiveness to curiosity, experimentation and radical suggestions. The idea of circles of control should be interpreted, from an active *local* agency perspective as demonstrating the need for change in outer-rings, achieved by innovation within areas of control.

Having argued that in a local public services context it is imperative to define problems, here we look at contexts in which this is possible, taking examples from local government and economic development. Some complex problems difficult to define or consensually represent including wide footprint, multi-layered and long-term problems such as industrialisation, environmental degradation or rising inequality, hence our emphasis on dialectical problem-framing while taking whatever action are possible within circles of control.

Muddling Through Problems

An alternative approach Lindblom (1959) argued instead of waiting for problems to be defined, it is better to *muddle through*; Hirschman's (1950) approach to economic development. Some issues Lindblom (1959) argued are just too full of uncertainties. He would endorse Deng Xiaoping's famous *stepping on stones to cross the river* metaphor of Chinese post-1978 industrialisation (Vogel 1983), and some current game theory models featuring complexity, uncertainty and risk. *Muddling through* Lindblom says is *safe learning*: adjusting strategy based on localised project experience. When successful, as Bakken (2000) notes, activity can be generalised. *Muddling through* accepts the unforeseen complexity, serendipitously anticipating improvised success in a context of such complexity that plans or markets alone cannot coordinate activity. This is Arthur's (2015) idea of complexity economics, that *economic behaviour builds from subjective beliefs*. He likens economic development to ecosystems (1994, 2009, 2010, 2015), in which autonomous agents act to sustain the ecosystem, without any central coordinator, such as market discipline. Kinder et al. (2021) use this approach to support ecosystem governance rather than networks in public services.

Marx's early articles are instructive. When in 1843 the leading German left-Hegelian Arnold Ruge pessimistically argued radical social change was impossible, Marx responded sharply as Editor in Paris of *Deutsch-Französische Jahrbücher* as Oizerman (1981) notes *decrying the search for logical formulas and universal recipes saying it is precisely the advantage of the new trend that we do not dogmatically anticipate the world, but only want to find the new world through criticism of the old one*. Marx went on in a *Contribution to a Critique of Hegel's Philosophy of Law* to insist that problems will be solved different in different cultures, always guided he hoped by socialising private property and planning growth to provide abundance for all. This he said is the historic mission of an alliance led by the working-class to overturn capitalist social relations.

Problem-solving at a high level of complexity is not subject to clear definition and crosses disciplinary boundaries. Even without clearly defined problems or engagement with formal politics, Skinner (1978) notes, citizens' passions can support *commonweal*-tradition solutions to problems, rejecting selfish market motivation to incentivise. Sen (1999) too emphasises empathy and higher values in resolving shared problems. Complexity then challenges public policy presumptions such as equilibrium and ideas such as Olson's *Logic of Collective Action* (1970) and its accompanying rational choice or financialised relationships (Becker 1996).

Curiosity is essential to problem-solving: why does it have to be like that, why can't it be like this? Managing curious people is itself a skill! Often people working in public services have ideas or feedback on services but too little time for problem-solving. Part of the Chinese culture, often under-estimated Bakken (2000) says, is the propensity to experiment (called point-to-surface synthesising good ideas). Curious people are often radicals, upsetting the status quo and are controlled or categorised as problem-people. Max Weber, in the *Sociology of Religion* (1920) warns against the *bureaucratisation of the prophetic*. In promoting transformative change, radicals upset organisational structures and social relationships. Curiosity comes with costs (see box on suppression of curiosity).

Muddling through then is quite different from building with the stones that we find, i.e. accepting the practicalities of context and culture while if necessary responding to curiosity and experiments by building new social relationships.

4.2.2 *Individual/Social Agent Dichotomy*

Marx's concepts of dialectics and alienation and Ilyenkov's (2008) analysis of idealism are our foundation stones. We critique Yeoman's (2019) meaningfulness and mutuality and Schatzki's (2019) *unformulable basis of action* and *pragmatic idealism*. Discussing some of Marx's basic concepts leads us to consider his

epistemological foundations and the idea of *epistemic injustice* taking current practice in Social Work as an example.

Box

St Augustine (354–430) provided the official church teaching. Book 10, Chaps. 26–34, is still a source of great esteem in the Christian church. He regards curiosity as a sin as bad as lust, saying that people should marvel at God’s achievements and not try to scientifically explain them: miracles are preferable to marvels.

Saint Thomas Aquinas (1225–1275) differentiates the miracle to the uneducated peasant is only a marvel to the scientist who knows that the laws of nature can explain all natural event.

Giodano Bruno, a Catholic priest was curious. His *Ash Wednesday Supper* supported Galileo’s view that the Earth moves around the sun: geo-centrism. He was burned alive at the stake for heresy on 17th February 1600. His statue can still be seen in the Campo de Fiori, Rome—looking accusingly towards the Vatican.

Thomas Hobbes’s (1588–1679) thought curiosity admirable: *Desire to know why and how, curiosity such has in no living creature but Man; so that Man is distinguished not only by his reason; but also by this singular Passion from other Animals*. Curiosity is an insatiable passion. Most famous now for his state-of-nature and early liberal arguments, at the time his dispute with Robert Boyle over the air-pump experiment (creating a vacuum) became a *cause celebre* (Shapin and Schaffer 1985).

David Hume (1711–1776) the Scottish empiricist, for whom *that love of truth, which was the first source of all our enquiries* was founded upon his theory of cognition and his personal desire to know: *I cannot forbear having a curiosity*. At this time the gentleman scientist, transdisciplinary tinkerer with physical science questions remained dominant, i.e. before the professionalisation of science. Although not an experimenter himself, Hume’s passion was knowing things: more curiosity than a cat. Lack of curiosity limits the imagination and inhibits discovery that later prove useful. Hume was for basic research and applied research: the inquiring mind has intrinsic value and pleasure as well as practical usefulness for agriculture, economy, trade, military affairs, etc. Come to Edinburgh and sit by his graveside reflecting on curiosity.

According to **Lorraine Daston** in the fifteenth century, according to Daston (2017) the RC church began to tighten up the evidential base for sainthood. This arose as towns realised that having a Saint brought religious tourist income resulting in an explosion of sainthoods. New rules demanded three attested miracles each eye-witness testified. This opened up philosophical debate around testimony: evidence constituting truth-hood, what is or is not worthy of investigation and the value of curiosity. University Doctors held on to ancient wisdom disparaging the emergent new sciences. She (2019) relates

the story of reports from shepherds and peasants that stones were falling from the sky being dismissed out of hand by university academics. Then around 1800 a meteor shower occurred outside of Paris and upon investigation the university academics discovered meteor showers: the impossible became possible. Her point is that educated people could dismiss the result of curiosity too readily or alternatively continue believe ridiculous reports.

Nozick (1974) poses this thought experiment. If it were possible to plug our brain into a machine that gave continuous pleasure, would we permanently plug in? The Utilitarian (maximum pleasure as in economics) say yes. More thoughtful people say no—there is more to life than pleasure. Echoing Epicurus (2012) they would say, things other than pleasure matter to humans, we want curiosity, the ability as humans to make sense of the world, perhaps improve our little bit of it.

Origins of Idealism

Idealism takes many forms in all cases arguing that reality is immaterial, out there somewhere not grounded in material artefacts and relationships. Indian Vedic transcendental idealism claims that all awareness is illusory, only thoughts link the person to the outside world (Dunham et al. 2011). Plato's subjective idealism (*The Sophist*) claims reality resides in ideal forms outside of human activity. For Neo-Platonist Christians, this means 'home' is heaven not Earth, as the American Wobbly Joe Hill expressed it, *there's a pie in the sky when you die*. Epistemic or ontological idealism, such as Descartes' scepticism, took the ancient idea of only critically accepting truths after examination (Sextus Empiricus and Cicero) to absurdity, living the *Matrix*. German idealism in Kant's alternative to empiricism argues we see only appearances, a *mode of representation* (Beiser 2020).

For Marxists, Ilyenkov (2008) notes, reality is often hidden, while always material. Marx resolutely rejects idealism insisting that human beings are the subjects in social change grounded in material reality. Badiou's *Rebirth of History* makes clear—only cognisant humans are capable of deciding which route to take in social change and problem-solving, ideas cannot themselves dictate the direction of change, however much capitalist social theorists claim this to be. We often make decisions in response to events, what Polanyi (1944) calls a *double movement*, however this is less than dialectical, since conscious humans are necessarily players in social change (Lektorsky 1967).

Ilyenkov on Personality and Problem-Solving

While (as every parent knows) personalities differ, Ilyenkov's (2008) *What is personality* insists that personality is never only inside-the-head (an unchanging inner Freudian core known only by introspection): personality is socially shaped and understood; not Sartre's existential prison of inescapable dilemmas. In a capitalist world personality is our ensemble of consciousness and preferences mediated through the things that constitute alienation. As Kamenka (1973) notes this

alienation is rooted in materially: we are alienated by capitalism from the fruits of our labour, from our natural environment and from healthy social relations, as Sebag (2025) insists, not mediated by market and money. Alienation becomes embedded in mental models (Fowler 2019) that often wrongly frame problems and therefore solutions, as when the child is ill because of a ‘will of God’ not absence of healthcare.

Marie de Gournay (1665–1545) knew all about this, speaking of *condescending smile spreading around a room when the men realise that it is a woman that is speaking*.

Ratner’s psychology (1991, 2002, 2008, 2011, 2015, 2019) is animated by a commitment to working-class emancipation, building on the psychology of Lev Vygotsky and his collaborators in revolutionary Russia during the 1920s. Attacking biological determinism he insists with Vygotsky that we bring cumulated learning of language, frameworks, metaphors and ideas (in short culture) to bear on new experiences and information, guided by emotional attachments and testing our learning on others. When we approach problem-solving it need not be as a passive ‘taker’ of off-the-shelf solutions, but instead as creative thinkers. Instead intelligent design arguments for the existence of God argue we are his creatures, when as Foster and Clark (2018) argue, we made God, he did not make us. Capitalism and God often appear together: the naturalistic argument that things are for the best and do not (should not) be changed by humans. Vygotsky’s social learning takes the opposite stance: by solving problems we take our destiny in our own hands: active not passive social citizens.

Empathy and Trust in Public Services

Social learning always involves emotional attachment: we accept or reject learning in part because of feelings. In public services trust and empathy are important feelings: trust is the willing acceptance of vulnerability and empathy taking the standpoint of others. The tradition of political economy from Smith to Marx insists that moral preferences and empathy are embedded in economic choices: both were humanists, people their primary concern. Lukacs (2023) and Agnes Heller (1988) in Budapest revitalised this tradition in the 1920s, though Vygotsky’s Marxism was more coherent. In Scottish folk lore, the little girl is asked if her brother is too heavy to carry: *He’s na heavy*, was the reply, *He’s mi brither*. Public services ask, who is not my brother? NPM has no room for trust and empathy, only efficiency; our social learning tells us different. We return below to the importance of social learning for improving public services, for now we explore how bourgeois researchers theorise social change.

4.2.3 *Bourgeois Social Change Theory*

Reflecting on Table 4.1 (passive, active and dialectic problem-solving) and Fig. 4.1 (circles of control) while keeping Vygotsky's social learning in mind—from this perspective we explore how bourgeois theorists explain problem-solving and social change in public services. Four theorists are chosen, each because they are often cited as progressive or left-wing.

Social Change Theorists

- Bourdieu (1984, 1990) argues that a logic-of-practice springs from habituses and social capital (social networks), these are cultural ways of thinking and relating, predilections, social glue. Clashes between habituses (e.g. existing occupational culture habitus clashing with introducing new technology habitus) spark social change. Habitus, social capital and logic-of-practice can become outdated and no longer explain *what's going on* (Wittgenstein's phrases) and to *follow the rules* no longer appears sensible. Bourdieu's explanations are not grounded in material factors, such as working on artefacts (feeding a family and earning a living, or capitalist methods of exploitation): change occurs from ideals and ideals that can be manipulated by the ruling class. Agency, then can be with the elite not the mass of people.
- Toulmin (1958, 2003) argues that by choosing the correct *field* (set of ideas), we can rationally explain social change, noting that different fields have different rationalities. He also calls attention to logic-of-practice but includes in this ideas outside-the-head: Ilyenkov's ideals. Rational explanations of social change can simply mean ruling class ideology. For example, 'the market' or 'efficiency imperative', or 'balancing budgets', ideals that suit power elites: consciousness is not grounded in material reality, including social relationships.
- Schatzki (2019) argues that *organised activity* results from logic-of-practice; moments of change between the past and the present are the result of *something happened* causing *doings and sayings* that result in innovation and change. Again we find social change motivated by other than material reality. Yet if, for example, public service users articulating a problem that is then framed and resolved by service providers, it is necessarily materialist (including user's ideas and feelings, service materials and providers practice activity). In short, Schatzki too is an idealist: the *something* that happened may not be human-caused. Innovation is the result of an exogenous set of principles, *sayings and doings*, instead of being rooted in a logic-of-practice: the activities of people. The problem is that the motivation for change is outside-the-head, human consciousness (itself from a material brain) does not feature. Nor do the *doings and sayings* result from a problem service users have. Rules for Schatzki (2019) are *organised doings and sayings*, the point being *organised* suggesting obligation, advice, guidance for future conduct: rules are generalised. They are a stricture on the assessment of future conduct. Similarly, Davies et al's evidence-based policy making, while a good rule (say) in evaluating pharmaceuticals, is less effective in public services requiring disjunctive radical change. Public service ecosystems avoid rules, pre-

ferring situated analysis, whereas networks and hierarchies prefer rules as a means of control. Problem-solving decisions are a means to an end, not an end itself.

- Yeoman (2019) follows a similar track to Schatzki, in her case emphasising the affective-psychological dimensions of social change and side-lining the material (labour on artefacts, in-the-head cognitions) aspect of change. Where Yeoman is closer to the materialist position is her emphasis on mutuality, i.e. the interrelationships necessary to create social change. However, mutuality is not in-the-head but instead marks the boundary between UVs created and distributed in support of mutuality as opposed to production for profit. Mutuality is primarily a materialist boundary and not as Yeoman argues an emotional (well-being, meaningfulness) one; important aspects derived from the materialist boundary. Understanding values, principles and practices as part of meaningfulness can be found helpful in conceptualising problem-solving relationships, especially trust, respect, honour and emotional attachment (Vygotsky 1934) between agents as projects bring together stakeholders from diverse disciplines and governance (Watson 2014; Barret et al. 2017).

In terms of Table 4.1 these theorists are at best active problem solvers, Bourdieu and Toulmin more passive, and referring to Fig. 4.1 Schatzki and Yeoman fail to link the individual to material reality with its collective social agency (class) and conflict between zones of control and a class aspiring for radical change. Schatzki appears in the discourse/dialogue tradition of Habermas (1987), Yeoman links more to the USA branch of the Frankfurt School (Marcuse) and a Freud/Marx synthesis: *social* is disconnected from classes and material foundations.

None of this is to argue that dialogical interaction (Bakhtin 1981) is unimportant since the battle for ideas is a battle for working-class consciousness: the preparedness to struggle for change. Problem-solving and social change are shown in Fig. 4.2 representing affective-cognitive aspects of social learning in logic-of-practice, with positioning (framing), interactions and causation as the top-level variables.

Dialectics is philosophy on the street: it aims at solving practical problems and proposing practical solutions. Figure 4.2 is an example of a practical dialectical analysis around a public services issue.

Dialectics becomes epistemology, sifting relevant knowledge that includes hard and soft data, objective and subjective, the latter being the emotional attachments we expect in Vygotskian social learning. Interaction between what is in-the-head (consciousness) and what is outside-the-head (material reality) positions the problem and circles of control, rejecting the Hume/Russell idea that sensations explain the world. The germ-cell is matter-in-motion, solutions to problems requiring changes in how material is shaped and distributed. Thinking, cognisant humans in solving problems cause effects, make changes, always within a context and culture from which class relations and problems can be historicised and contradictions made visible, acknowledging complexity. Note that consciousness from social learning can result Bakhtin (1981) says, from unconscious cognition (monological reflection). As we argue in Kinder et al. (2022a, b) thinking about public service

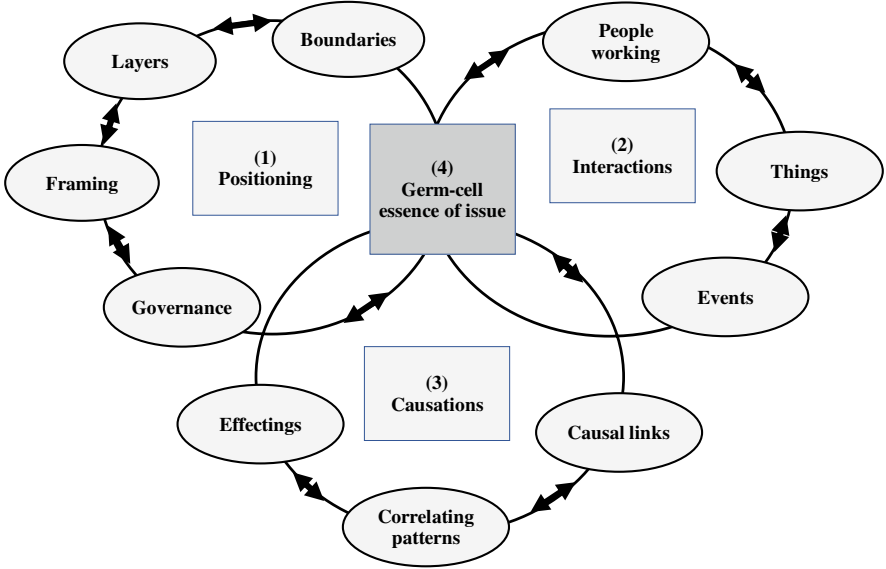


Fig. 4.2 Dialectics as practiced (public services and natural environment)

problems is non-deterministic: technology or existing service models should not be allowed to dictate future service solutions. This is especially important in developing countries: doing the wrong thing more efficiently is obviously unacceptable compared with leapfrogging into a new service model.

Content in Dialectical Thinking

Marxist dialectics have a materialist and class conflict content. Table 4.2 summarises academic, abstract uses of dialectical method without content: theorising social movement but not in a Marxist direction towards socialist dis-alienation, democratic and planned. If the welfare state is a battlefield, dialectics cannot be conceived without taking sides, without envisaging a movement seeking working-class gains along a road to socialism.

Part of the appeal of Social Darwinism is the idea of dialectical change (Dickens 2000), yet as Sect. 11.4.2 notes, it leaves capitalist social structures intact and can be used to support conflict *within* the working-class, for example by arguing for racist superiority. Marxist dialectics rejects idealism because movement from the abstract to a concrete and materialist goal—it privileges a particular direction: socialism. We turn now to the Marxist contribution on dialectics and the importance of social learning.

Table 4.2 Content in dialectics

Contentless-dialectics	Morin's (1959, 1982, 1986) work attacked the simplification of knowledge around binary choices and instead drew attention to what Archer describes as (2008:5) the <i>fabric of events, actions, interactions, retroactions, determinations and chance that constitute our phenomenal world</i> . Morin's dialectics are contentless because he fails to acknowledge the materialist sub-structure driving capitalism and offers no socialist alternative.
Idealist dialectics	Schatzki is an example of viewing socio-economic change as constant ascribing the motor of change to ideal, in his case <i>sayings and doings</i> . Arendt's talk of totalitarianism, a concept without class content is another example: She equates fascism and communism. A classic example is Nietzsche's glorification of the strong and dismissal of the powerless.
Dialectics without direction	Bhaskar offers a compass, without a map: dialectical change without direction. His (1993) <i>Pulse of Freedom</i> ignores Marx's perspective of eliminating alienation, paying no attention to collective public services mediating social change and the result of social change. Ehrba's (2007) methodological individualism is another example; denial of collective social categories driving social change, a view Marx's discussion on Wagner in the <i>Grundrisse</i> explicitly rejects.
Dialectics with direction	Marxist dialectics pull analysis towards class conflict around materialist matters looking always for transitions towards a post-capitalist future. Rejecting ideals (Ilyenkov) in processes of social learning (Vygotsky) herald rising consciousness. Some Marxists, Mészáros (1995) is an example, underplay the importance of capturing and fundamentally changing state power, as a second-order mediation and fail to connect primary mediations (money, division of labour) to collective public services, focusing instead on environmental renewal.

4.3 The Marxist Contribution

Solving any problem involves learning. This might be learning at a micro level (such as increasing service access, reducing isolation and addictions) or learning and consciousness raising around big social problems such as social inequality and discrimination or the uneven distribution of wealth and opportunity. Table 4.1 (typology) illustrates learning involves framing problems dialectically. This section connects dialectical thinking with social learning as a way problem-solving and raising individual and collective consciousness. This is achieved by connecting dialectics with social learning drawing on the work of Engeström (1987), Wertsch (1985), Nardi (1996) and others, also from Illeris's (2004) approach to work-based learning and is akin to Charmaz's (2006) constructed grounded theory method.

If the ruling ideas are the ideas of the ruling class but the emancipation of the working-class is an act of the working-class, how do individual and collectives learn to see beyond the ruling ideas; understanding how people learn is a crucial aspect of understanding how dialectics drive social change.

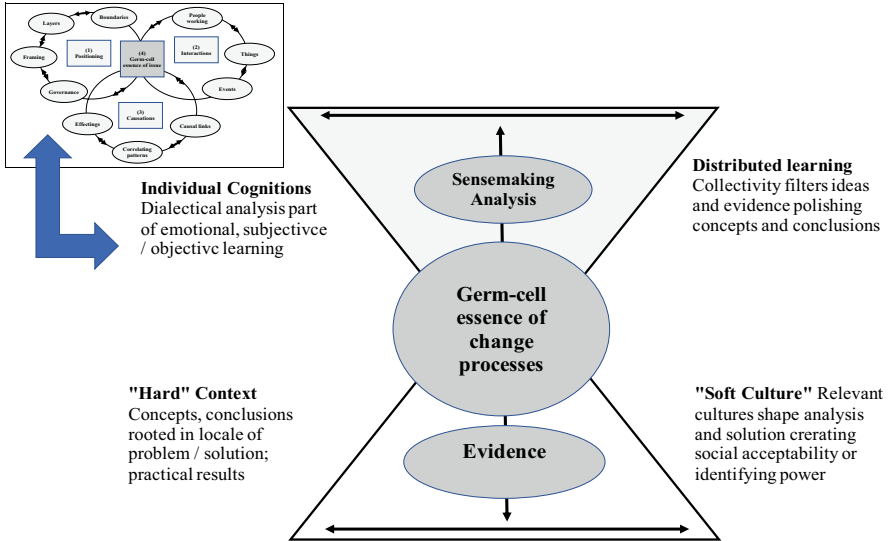


Fig. 4.3 Dialectics as social learning

4.3.1 Individual People Learning

Drawing on Vygotsky (1929, 1934), Fig. 4.3 illustrates an individual puzzling how to solve a problem.

Learners begin with individual cognition (problem-framing, reframing, historicising) and sorting out emotional attachments). Then she distributes her learning to colleagues or a team (sharing sensemaking: perhaps a suggested solution or framing); a horizontal arrow represents this interaction. Since sharing involves language, known frameworks, metaphors, concepts both the individual and the distributed learning is always social. A vertical arrow shows the individual and distributed learning referencing the context and culture in which the problem has arisen and is being solved: these shape opportunities, what is possible and acceptable. Solutions or better problem-framing emerge as the germ-cell, essence of the problem and the new learning, Vygotsky's zone of proximal development: shifting from what the learner knows, to what new learning can potentially be known and then internalising it.

Adding detail, Fig. 4.4 illustrates the learning journey from problem to solution. At (1) individuals are positioning the problem: the boundaries, layering, framing (including reframing as the analysis progresses) and the informal and formal governance arrangements. Here the analyst is immersing herself in the problem: critically reading and reflecting on all available information. (2) is dialogical interaction, tweaking the problem definition to match how the people involved define it, including the physical objects, events and processes. With 'facts' in place, (3) reflects on causal interrelationships: what-causes-what and how self-organising parts react

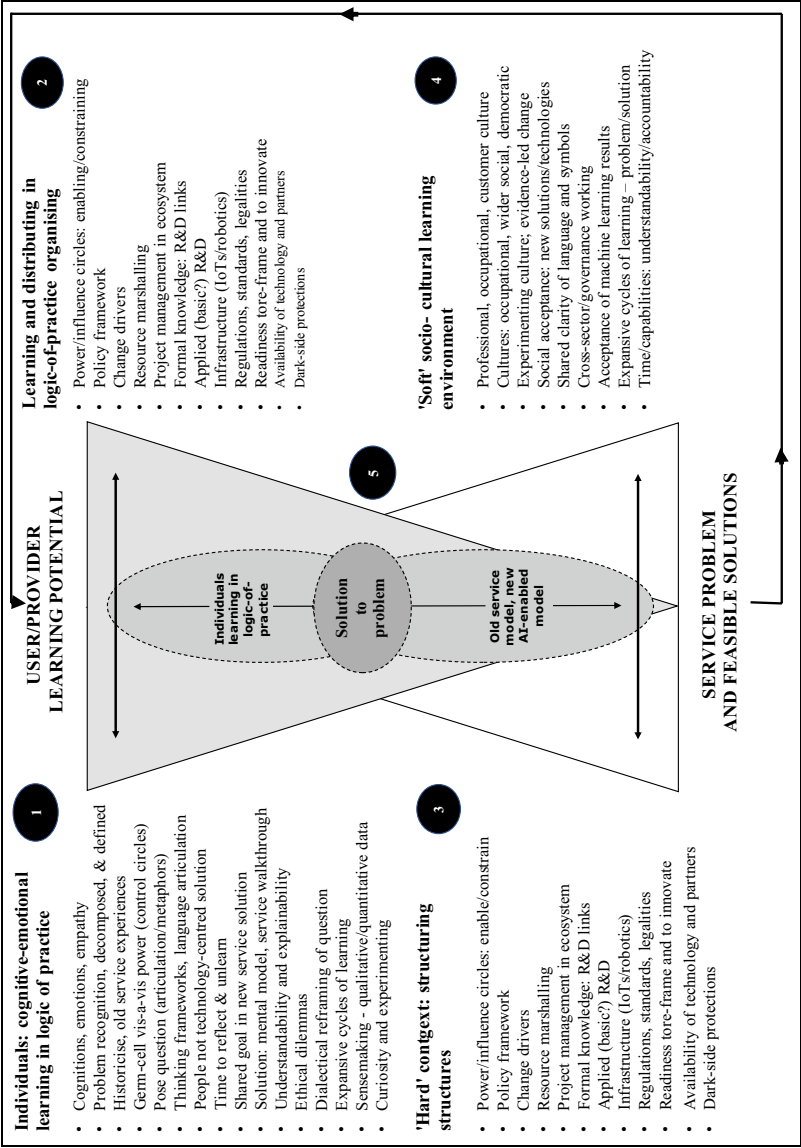


Fig. 4.4 Dialectics as social learning detail

with other sub-systems (and their sub-systems) aiming to identify the potential instruments constituting a solution. In (4) the germ-cell essence of the problem is shared, inviting agents to alter activity towards a chosen solution. In terms of Fig. 4.4 the proposed essence of the problem is an individual cognition, distributed to other involved agents (some perhaps previously not involved). Now the social learning cycles invites critique from others with experience/knowledge of the problem. Isolated ideas can merge into concepts, integrating as Vygotsky (1934) suggests ‘old’ and ‘new’ knowledge into sensemaking. As Ilyenkov (2008) and Foster (2020) propose, the emergence of a new solution interpenetrates between natural objects/events and human activity. Any reverse-salient holding back the new solution is made visible with a view to change. It may be that previous emotional attachments under scrutiny give way to the new problem solution.

Instead of looking ‘up’ to an imposed idea or abstract principle, dialectics looks ‘down’—grounded in material reality searching for transition routes towards a better social solution. Writ large, at a societal level, dialectical analysis begins with abstractions, such as classes and their relationships and the impact of a falling rate of profit and few investment opportunities. Writ small, learning frames public service problems to be solved. The ZPD solution (5) in Fig. 4.4 *interiorises* Vygotsky says the solution: the learning is enacted. Oittinen and Maidansky (2014) call this *enrooting*, meaning a foundation for future social change. Turner (2018) refers to *affordances* that support future learning. In all cases, Artinian (2017) emphasises, learning is social—it references context and culture—the material setting in which problems are solved. Mindful of Bourdieu, Lau (2003) refers to a *dynamic habitus*. We note Lavant’s (2017) point that all learning is by people, actor network theorists are wrong to suggest that inanimate technological objects can learn.

For Vygotsky social learning insists there is no immediacy, as when a response reacts to a behavioural stimulus or a Freudian emotion is felt. Instead of immediacy social learning insists on mediation by social factors such as of language, frameworks, metaphors and experiences. These mediations are always abstract because they involve reconciling (making sense) in relation to previous learning to produce new learning. Social relations, Vygotsky says (1962, 1971) are transformed and internalised by inner speech orienting towards newly articulated learning. For Bibler (1983) the ‘I’ interacts with the outer material world, creating new cultural understandings and new knowledge. Where successful, this links the potential expressed in the zone of proximal development with the new learning to which it is proximal. This occurs instantaneously and is therefore best not viewed as sequential phases. It is as though one’s entire life experience integrates with newly experienced knowledge instantly.

At both a micro level and societal level, dialectical analysis may meet a brick wall of power: resistance privileging stability over change. In both cases, change

leaders can break any deadlock by altering consciousness, by mobilising a counter mass power behind the proposed solution. This, Ollman (2009) and Blunden (2012) note, exposes contradictions and forces change. The more radical the change, the more complete governances alter, and new power structures emerge. In Figure 4.4 we can now see that social learning, in relation to public services, their governance and the environmental crisis, aligns with social learning and dialectics.

Marx and Engel's dialectics as presented methodologically by Ilyenkov (2008) and Blunden (2012) are similar to Vygotsky's (1934) social learning framework as interpreted here, they are processes theories, founded on materialism and critical realism forming a useful toolkit for social research in general and research on the environmental crisis in particular. Marx *decided logical formulas and universal recipes for solving all social problems*, Oizerman (1981:196) says, exhorting individuals and social classes to seek solutions to problems based on their history, their context and culture: there are no universal recipes either for socialist change or for solving social problems. This is why LO-4 emphasises the democratic processes shown in the top-right of Fig. 4.4. Take a breath, by combining Vygotskian learning with dialectics, we are revealing how problems are solved, how consciousness changes.

4.3.2 Social Learning, Dialectics and Elder Care Example

Faced with an ageing population, rising cost of residential care homes for the elderly and questionable ethics around removing the elderly from family and friends, in the late-1990s West Lothian Council in Scotland embarked on technologically assisted independent living, reported in Kinder (2010). A major class issue was to provide the elderly (some with early and mid-stage dementia) with the best level of care. Since services crossed many organisational boundaries another issue was information and management systems that integrated service providers in ecosystems 'pulled' by the needs of elderly citizens. Quality of care for vulnerable people was the 'germ-cell' guiding design and alert, alarm and assistive technologies installed in people's own homes (with a small amount of new build). Overcoming historic failed, under-funded *care in the community* independent living is an alternative to costly (often unethical) residential care. This story reveals interpenetration (restructuring all services and adopting new technologies), a multi-layered and multilevel response to unaffordable residential care. This is dialectical problem-solving in practice, transforming public services, rejecting being confined to NPM efficiency or market mediation (privatisation). Technology, as Nardi (1996) argues, was shaped to meet needs yet did not determine the outcome.

Figure 4.4 is a new framework for problem-solving in local public services based on Vygotsky's (1934) social learning approach, developed as activity or socio-cultural theory by Engeström (1987), Wertsch (1985), Nardi (1996) and others, drawing also from Illeris's (2004) approach to work-based learning and is akin to Charmaz's (2006) constructed grounded theory method.

4.3.3 *Example: Learning and Artificial Intelligence*

Research with Koskimies (2023) on the introduction of AI into Finnish public services and associated ethical decisions captures the dialectics in problem-solving using social learning. One key finding was democratising technical decisions. Choices included which databases to search, what algorithms to use, what emotional attachments at key stages in the proposed new service blueprint were crucial to users. Our finding was that the AI technical contributors and the less-technical service providers needed to learn from each other. At every stage in designing new services unless time was spent distributing learning and referencing the context and culture the new service risked rejection. These decisions were neither technical nor social since both factors interpenetrated to make the final choices. As Ilyenkov (2020) notes, and unlike passive knowledge management, social learning processually focuses on how and why learning occurs, how problems are solved. While conceptually separated, problem-solution in practice has become merged. The AI-enabled new service only becomes advantageous if the ambient services responded to what the new service could offer. For example, the Oulu ring, developed in one of Finland's most northernly cities signals the health data of the wearer to their doctor (blood pressure, heart rate, etc.), the idea being that automated diagnostics allow the Doctor to alert wearers of a ring if there is a health issue: the germ-cell is preventative medicine; the context and culture are Finnish healthcare services. Dialectically, AI technology and socially contrived services became aligned. Without distribution of learning—extended democracy—the ‘clever’ AI would deliver no benefit, with the democratic input service changes benefit (more effective) healthcare services and the individuals wearing the Oulu Ring.

4.3.4 *People and Learning: Agency*

For Marx, consciousness, *class-for-itself* activity buries capitalism and begins the socialist transformation towards abundance and the withered-away State. Consciousness is not simply the result of life-as-lived experience; experience requires being made sense of and interpreted in relation to context, culture, the memory of the working-class and the awaiting destiny of socialism. Learning then is an essential aspect of the working-class grabbing hold of its destiny. Many interpretations of Marx, such as Mészáros (1971), leave learning and consciousness creation as unexplained or in the case of Lukács (2000) despondency and pessimism dominate. Here the social learning that alters consciousness is fully explained using Vygotsky's (1934) approach as developed in work with Stenvall et al. (2018). Although the consciousness informing working-class agency to transform capitalism is the same overall process in all cases, the actual institutions and fights will vary with context and culture: the resistance of Chinese capitalists (1949) differs from those in Germany (1919/1923) as do the institutions created to deliver socialist

change. Public service plays an important role (education, intelligentsia) in creating consciousness, education from State organisations, the family and the third-sector organisations (parties and pressure groups) each play important parts in learning and consciousness creation.

Class struggle and the everyday battles over who benefits from the social surplus workers create is inseparable from solving the root causes of social problems: discrimination and inequalities. Social learning links between cognition (individual consciousness) and social (class) consciousness. It assists micro problem-solving and is an essential part of wider, social consciousness raising. Research on relational leadership (Kinder and Stenvall 2021) argues that social movement leaders are both teachers and learners: learners who explore how solving social problems can pose transitional routes to social change and formulate these into programmes, and teachers who help change the collective consciousness necessary for working-class agency in social change processes. Social learning is at the heart of altering the relationship between social relations of production and reproduction, showing how capitalism crises are opportunities for fundamental social change. As Au (2007) argues these are lessons understood by all the leaders of radical social movements.

Paul Levi (2011) failed to persuade the Moscow-led Communist International in 1923 that the Russian vanguard party organisation and strategy for power was inappropriate to Germany where a large reformist party (the Social Democrats) held the allegiance of most of the working-class. In effect, this imposed a Russian context on other parties and led to the failed 1923 revolution in Germany. In the 1940s similar attempts to impose Russian tactics on the Chinese Communist Party were ignored by Mao leading to revolutionary success. *Context is everything* as Engeström (2007) says of social learning.

4.3.5 Epistemology and Alienation

Marx offers no separate epistemology than historical materialism (Rubin 1924; Bedford and Harrison 2015): material factors (matter-in-motion) meaning people working with natural artefacts (i.e. natural phenomenon)—this is the logic and method the Marxist employs, his starting point for all analysis. As Ilyenkov (2020) makes clear, this means rejecting ideals as drivers of change—ideals such as ‘the market’ or ‘efficiency’, which are prominent in new public management. Historical materialism is Marx’s logic and epistemic stance (Lenin V-38:92). Lenin (1915:319) says in his Philosophical Notebooks: *Marx applied in Capital to a single science, logic, dialectics, and the theory of knowledge ... three words are not needed, it is one and the same thing.*

Two sets of agents are at work in Marx’s *Capital*: those pursuing the interests of capital and those struggling against the alienation of workers. These agents act in a specific context and culture meaning that as context and culture differ, so too do

Marxist solutions to problems: there are no universal recipes or formula. Oizerman (1981:208) cites Marx, *it is precisely the advantage of the new trend that we do not dogmatically anticipate the world, but only want to find the new world through criticism of the old one*. Whereas Marxist like Althusser emphasised structure and logics, for Bernstein (2000) the cultural turn means (as O'Neill 1973) argued, there are no imposed laws, only human-made laws for social change and problem-solving. Individuals do not isolate and dream up solutions, as Alighieri (1965) insists new ways forward are always subject to social agreement, individual's cognitions and distributed learning. Individuals Gewirth (1973) argues might reference what appear good ideas whereas the collective references social practice: learning from history and from what is achievable. This differentiates Marx from the humanist and liberals: yes, solutions to problems should be person-centred, they should however go further and reduce collective alienation, public services solutions should be a stepping towards ending alienation, towards a better society and not simply the pragmatic response to the here and now.

Finland's Housing First policy guarantees every homeless person an immediate home—a good policy. What makes it a great policy is the aftercare, addressing the root causes of the homeless person's problems; this points towards solving the root problem, towards a sustainably better world. Rusi et al. (2024) explore in detail how dialectical learning supports Finland's policy eradicating homelessness.

Marxist Values: LTV and Alienation, Private Property

In Marx's day there were few public services. As Chap. 2 noted this book extends the meaning of UVs given by Marx to be wealth that solves problems, unmediated by the market or money: freely provided by the State. Further, the argument is that extending this area of mutuality rather than for-profit activity extends planning and displaces EV and (anti-democratic) private property. It may be as Kinder and Stenvall (2021) argue that UVs are now the dominant form of value creation in the UK and not market-based EVs. Jansson (2013) argues that faced with (a) an ageing population and (b) technological unemployment, that politicians should be prepared to justify tax increases to fund an expansion of job-creating services including (HEC) health, education and care, again challenging the view that the only wealth worth creating is from profit-generative commodities sold on markets.

Ratner (2019) uses Vygotskian social learning in his psychiatry to identify and amplify the healing emotional attachments of his patients. He argues that alienation is not an individual or accidental feature of capitalism; we are all tortured and harmed by senseless economics, savage industrial practices and public service cuts designed to fund tax cuts for the wealthy, providing income they do not need. Worse, many of the wealthy, as Chap. 7 argues, invest in fictitious capital projects that, through asset stripping and short-termism, destroy jobs. Dialectics regards economic policies such as shareholder value, short-term return on capital as destructive

of the things that matter—things like how we respect and relate to one another. Part of this respect is taking the time to dialectically identify the root cause of social problems and to socially respond, with social and not sticking-plaster solutions. Vygotsky's (1965) *Story of a Great Discovery* cites Marx's *Capital* (V-1:78) as an example of social learning using dialectics: digging deeply, historicising, seeking out contradictions.

Mediation: Planned public services, if democratic and effective, directly and precisely meet needs and solve problems. In capitalism markets and money mediate, intervene; needs are only met if profits accumulate. Alienation is the result of mediation: fetishised products rather than planned provision destroyed nature rather than sustainability, human relationships mediated by awkward social structures, technologies or social divisions. These principles were understood by Confucius and Epicurus, only in the last short historical period has capitalism substituted market mediation for mutuality and allowed ideology and idealism to replace direct social learning to meet human needs. As a Marxist, Vygotsky (1929) wholly endorsed Marxism, extending it, as Artinian (2017) says, to explaining learning. The learner makes sense of the world by understanding what mediates her experiences, learned concepts and materialist view of objects and events. Ilyenkov (2020) knits together Vygotskian pedagogy and dialectics in his re-presentation of Marxist epistemology: context and culture shape learning and opportunities for socialist advance: social processes, not reducible to individual psychology.

4.3.6 *Dialectics Working-Class as Agent*

Marx considered the working-class as the leading agent for social change because as a class it has no investment in the continuation of capitalism. Today, the working-class is more likely to be in service work, call-centres and hotels than factories; the same social group exists with no investment in capitalism, those that labour for the profit of others. Various revolutions, e.g. China 1949, illustrate the working-class's role leading an alliance of other anti-capitalism classes struggling for socialism. Heller (1988:169) speaks of a *socialised mankind* joining to oppose capitalism. Public services benefit from this type of leadership.

Finland regularly features amongst the world's top education systems. Elsewhere in Europe, public services have fractured allowing the growth of private schools (almost none in Finland) or 'sink' and magnet' school, the latter often in areas of high housing costs. Finnish children are obliged to attend their geographic 'district' school. This policy promoted by working-class parties means that parents wanting school improvements invest time in their local school, a major factor (along with Teacher quality) in Finland's high educational level.

4.3.7 *Dialectics and Public Service Problem-Solving*

Many social settings for alcohol addiction, especially amongst the lonely elderly create an intractable problem. Local social workers know it can result in costly hospital treatment and agonising family difficulties. A behavioural approach might incarcerate the person, denying access, perhaps with cognitive behavioural therapy or drugs as part of a medicalisation model. The dialectical approach begins by investigating why the addiction occurred, and how it took the form of self-conscious emotion of shame (Tangney and Fischer 1995), i.e. a painful sense of defectiveness and withdrawal, what Potter-Efron (2002) calls an *internal flight* from an inadequate self or adaptive/maladaptive guilt. The Nordic whole-person approach to dialectics begins with historicising the issue (family and friends), trying to ‘pull’ the alcoholic into social circles that make adaptive behaviour easier: joining, engaging socially. For some people Alcoholics Anonymous becomes positive space (Kurtz 1979). A key point is the social worker engaging the person, making real and seeking to address their problems. Here we have at an individual level a problem being addressed by a dialectical approach, backing off from irresponsibility supported by public services (Ferguson et al. 1999). The point is that from this micro individual level to wider social issues, applying a dialectical approach to problem-solving is superior to ‘pushed’ or supply driven services and instead of blaming the victim, slowly re-engaging person with society, resolving (where possible) conflicts: in Alessio’s (2016) terms, constructing a healthier social reality. Some of these approaches benefit from distributed action learning amongst local communities of social workers as Tirronen et al. (2020) report.

4.3.8 *Technology and Time and Social Change*

Marx was a techno-optimist believing that rising productivity can achieve the abundance necessary to meet human needs, while taking less of nature’s limited resources. He complained that capitalism holds back the development of new technological solutions because it only invests in what makes a profit: there is little profit in difficult-to-research diseases or feeding starving children. He was an optimist while also ambivalent about the effects of science and technology when under capitalist control. Chapter 17 deals more fully with technology and problem-solving in local public services, focusing here on the perspective of the use of dialectics and mentioning key points. Here with Best (2014) we note that by automating, capitalism uses less labour and therefore creates less value (since only labour can add value) causing a rise in the organic composition of capital and periodic crises that cause the misery of unemployment. This is why Marx favours the planned development of technology, ensuring that the pace and direction of innovation meet needs and demands in a sustainable manner. He was friends with some of the leading scientists of his day. Marx challenged technological determinism; the idealist

presumption that new technological solutions are always the answer to problems, when sometimes social arrangements are what need to alter.

Utopianism and Scientific and Technological Progress

Marx embraced technological progress as a means of satisfying human needs and eventually creating a society of abundance, eradicating poverty and inequality within and between countries. Discussing the interrelationship between technology and nature Sect. 2.6 answers critiques of technological determinism in Marx, justifies his idea of history progressing in modes of production and shows the relevance of these ideas to current public service activity in science, research and development (R&D), commercialisation of university research, education, training and the role of professionals in public services. The section also considers ideas such as whether natural resource is a curse, the current United Nations institutions and targets for environment sustainability and time-cycles for capitalist technology and natural change.

Utopians have a long history beginning with Plato's slave *Republic*, Augustine's *City of God* after death, More's *Utopia* of shared property, Campanella's *City of the Sun* ordered social arrangements. Engel's *Utopian Socialism* scathingly attacks fixed formulations of how society should look and instead views the abolition of private property taking many forms: extending the scope and reach of public services is the form argued for here.

Faced with the need for search-tool because of information overload and to increase analytical rigour, after 1945 social science developed an array of conceptual tools including Kuhn's (1962) paradigms; Lakoff and Johnson's (1980) metaphors; Simon's (1962) bounded rationality; Tversky and Kahneman's (1981) decision criteria; Bateson's (1972) framing, and Weick's (1995) idea of sensemaking. Here we discuss how problem-solving and problem (re)-framing interrelate.

4.4 Conclusions: Dialectics and Problem-Solving

The relevance and usefulness of dialectics in public services problem-solving and wider social problem-solving highlighted the importance of social learning in envisioning radical change. Such change is rooted in material factors, indeed part of the process of change and problem-solving is identifying and rejecting capitalism ideals in favour of a dialectic method that becomes logic, epistemology and gives knowledge content to problem-solving analysis. Having rejected naturalistic explanations of capitalism in favour of historicising its material evolution (LO-1), this chapter proceeded to synthesise dialectics with social learning as giving Marxist content to dialectical reasoning. This approach rejected Elder-Vass's reduction of social

learning to an *inner conversation* and instead emphasised distributed learning that references context and culture and uses socially created tools such as language, frameworks, metaphors and concepts (LO-2). Criticising some logics as deterministic, such as Bourdieu's *habitus*, dialectics and social learning are also shown as a superior approach than Archer's (2000) agent-structure framework, which fails to show how agent consciousness alters. Several bourgeois theories of social change were criticised as idealist (Toulman, Schatzki and Yeoman), and citing examples from Finland and Scotland examples illustrated the power of dialectics in micro-level problem-solving, while drawing attention (relational leadership) to social learning by individuals and collectives in wider social change (LO-3) and consciousness building.

Drawing on research over almost 20 years using Vygotsky's (1934) social learning approach we present a framework for social learning during change, Weick's (1999) *thinking in the midst of action*, as used, for example, by Tirronen et al. (2020) to understand action and active learning by social workers, who incrementally improve their services and an associated typology of problem-solving shows how the framework aids practice by referencing issues such as homelessness in Finland and smart housing for independent living. The framework brings together characteristics of dialectical problem-solving including democratic processes, rooting out ideals and planning. Dialectical problem-solving is shown a far superior a framework than the crude efficiency targeting, and market-only solutions found in NPM.

References¹

- Alessio JC (2016) Social problems and inequality—social responsibility through progressive sociology. Ashgate, Burlington, VT
- Alighieri D (1965) Dante's *Inferno*. Indiana University Press, Indiana
- Archer MS (2000) *Being human*. Cambridge University Press, Cambridge
- Argyris C (1977) Double loop learning in organisations. *Harv Bus Rev*
- Arthur WB (1994) Increasing returns and path dependency in the economy. University of Michigan Press, Ann Arbor, MI
- Arthur BW (2009) *The nature of technology: what it is and how it evolves*. Penguin, London
- Arthur WB (2010) Complexity, the Santa Fe approach, and nonequilibrium economics. *Hist Econ Ideas* 18(2):149–166
- Arthur BW (2015) *Complexity and the economy*. Oxford University Press, Oxford
- Artinian A (2017) Radical Currents in Soviet Philosophy: Lev Vygotsky and Evald Ilyenkov. *Social Democr* 31(2):95–121
- Au W (2007) Vygotsky and Lenin on learning: the parallel structures of individual and social development. *Sci Soc* 71(3):273–298
- Bakhtin MM (1981) *The dialogic imagination*. University of Texas Press, Houston

¹To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, *Capital* is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of *Capital*. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Bakken B (2000) The exemplary society—human improvement, social control and the dangers of modernity in China. Oxford University Press, Oxford
- Barret M, Brader G, Dijkstra FA, Göttfert M, Nikolic M, Poschenrieder C, Suriyagoda L, Tang C, Whalley WR, Abadia J, Bacon C (2017) Reviewed more than 6 manuscripts. *Plant Soil* 412:481–490
- Bartlett HM (2003, original 1958) Working definition of social work practice. *Res Soc Work Pract* 13(3):267–270
- Bateson G (1972) Steps to an ecology of mind. Chandler Publishing, San Francisco
- Baumol W (1967) Macroeconomics of unbalanced growth: the anatomy of urban crisis. *Am Econ Rev*
- Becker GS (1996) Human capital and the economy. *Proc Am Philos Soc* 136(1):85–92
- Bedford D, Harrison F (2015) Leveraging environmental scanning methods to identify knowledge management activities in transportation. *J Knowl Manag* 19:3
- Beiser F (2020) Hegel and the history of idealism. *Br J Hist Philos* 28(3):xx
- Bernstein B (2000) Pedagogy, symbolic control, and identity: theory, research critique. Rowman & Littlefield, Lanham
- Best MH (2014) How growth really happens – the making of economic miracles through production, governance and skills. Princeton University Press, Princeton, NJ
- Bhaskar R (1993) Dialectic: the pulse of freedom. Verso, London
- Bibler VS (1983–1984) Thinking as creation. (Introduction to the logic of mental dialogue). *Soviet Psychol XXII*:33–54
- Blunden A (2012) Concepts—a critical approach. Haymarket Books, Chicago, IL
- Bourdieu P (1984) Distinction. Routledge, Abingdon
- Bourdieu P (1990) The logic of practice. Polity Press, Cambridge
- Braverman H (1974) Labour and monopoly capital. Monthly Review Press, New York
- Bryant A, Charmaz K (2007) Grounded theory in historical perspective: an epistemological account. In: Sage handbook of grounded theory. Sage, London
- Charmaz K (2006) Constructing grounded theory. Sage, London
- Chesbrough HW (2006) Open innovation. Harvard Business School Press, Boston
- Covey SR (2014) The leader in me: how schools around the world are inspiring greatness, one child at a time. Simon & Schuster, New York
- Csikszentmihalyi M (1991) Flow: the psychology of optimal experience. HarperCollins, New York
- Daniels H (2016) Vygotsky and pedagogy. Routledge Falmer, London
- Daston L (2017) Science in the archives: pasts, presents, futures. Chicago University Press, Chicago
- Daston L (2019) Against nature. MIT Press, Cambridge, MA
- Dean JW Jr, Sharfman MP (1993) Procedural rationality in the strategic decision-making process. *J Manag Stud* 30(4):587–610
- Descartes R 1637 (2002) Discourse on method and meditation on first philosophy. Digireads, London
- Dickens P (2000) Social darwinism. Open University Press, Buckingham
- Dubert F (1997) Networking in the Ethio-German Micro & Small Enterprises Development Programme, A Case Study, Addis Abeba, November
- Dunham J, Grant IH, Watson S (2011) Idealism: the history of a philosophy. *Acumen*, p xx
- Ehrba HG (2007) The relation between Marxism and critical realism. In: Critical realism and the social sciences: heterodox elaborations. University of Toronto Press, Toronto, pp 224–239
- Elster J (1998) Deliberative democracy. CUP, Cambridge
- Epicurus (2012) The Philosophy of Epicurus (Selected Writings). Dover, London
- Engeström Y (1987) Learning by expanding – an activity-theoretical approach to development research. Orienta-Konsultit, Helsinki
- Engeström Y (2007) From stabilization knowledge to possibility knowledge in organizational learning. *Manag Learn* 38(3):271–275
- Entman RM (1991) Framing US coverage of international news: contrast in narratives of KAL and Iran air incidents. *J Commun* 41(4):6–27

- Eubanks V (2017) *Automating inequality: how high-tech tools profile, police and punish the poor*. St. Martin's Press, New York
- Ferguson I, Lavalette M, Mooney G (1999) *Rethinking welfare: a critical perspective*. Sage, London
- Foster JB (2020) *The return of nature: socialism and ecology*. Monthly Review Press, New York
- Foster JB, Clark B (2018) Women, nature, and capital in the industrial revolution. *Monthly Review* (January)
- Fowler A (2019) *Gurus for Government*. ICSA, London
- Gewirth A (1973) The 'is-ought' problem resolved, vol 47. *Proceedings and Addresses of the American Philosophical Association*
- Goffman I (1974) *Frame analysis: an essay on the organization of experience*. Harper Colophon, New York
- Goldratt EM, Cox J (1993) *The Goal: a process of ongoing improvement*. Gower, Aldershot
- Grimmelikhuijsen S, Klijn A (2015) The Effects of judicial transparency on public trust: evidence from a field experiment. *Public Adm* 93(4):995–1011
- Habermas J (1987) *The theory of communicative action*, vol 2. Boston, MA
- Heller M (1988) Cogs in the soviet wheel: the formation of Soviet man, vol XX. Collins Harvill, London
- Hirschman WB (1950, Jan–Feb) Profit from the learning curve. *Harvard Business Review*
- Hume D (1739/2007) *A treatise on human nature*. Clarendon Press, Oxford
- Illeris K (2004) Learning labour Denmark. In: *Learning in working life*. Roskilde University Press, Stockholm, Sweden
- Ilyenkov EV (2008) *Dialectical logic—essays on its history and theory*. Aakar Books, Delhi
- Ilyenkov E (2020) *Intelligent materialism—essays on Hegel and dialectics*. Haymarket, Chicago, IL
- Inan I (2012) *The philosophy of curiosity*. Routledge, London
- Jansson JO (2013) *The economics of services—micro-foundations, development and policy*. Edward Elgar, Cheltenham
- Jilke S et al (2016) Generating usable knowledge through and experimental approach to public administration. *Public Adm Rev* 76(1):69–72
- Jorgsen T, Bozeman B (2007) Public value and inventory. *Adm Soc* 39(3):354–381
- Lukacs G 1953 (2023) *The destruction of reason*. Merlin, London
- Kahneman D (2023) *Thinking fast and slow*. Norton, NY
- Kahneman D, Tversky T (1979) *Prospect theory*. Sage, New York
- Kamenka E (1973) *Marxism and ethics*. Palgrave Macmillan, New York
- Keast R (2021) Engaging citizens, clients, and communities for policy and service delivery, Chapter 10. In: Hildreth WB, Miller GJ, Lindquist EA (eds) *Handbook of public administration*, 4th edn. Routledge, London
- Kinder T (2010) Evolving accountabilities and outcome agreements—experience and prospects form Scottish public services. In: Ball A, Osborne S (eds) *Social accounting and accountability*. Routledge, London, p 6
- Kinder T, Stenvall J (2021) Public value and public services in the post-virus economy. *Public Sector Econ* 45(3):329–361. <https://doi.org/10.3326/pse.45.3.x>
- Kinder T, Stenvall J (2023) A critique of public service logic. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2023.2182904>
- Kinder T, Stenvall J (2024) Problem-solving and learning for public services and public management—theory and practice. Springer, Cham, Switzerland. <https://doi.org/10.1007/978-3-031-43230-9>
- Kinder T, Six FE, Stenvall J, Ally Memon A (2021) Relational leadership in collaborative governance ecosystems. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2021.1879913>
- Kinder T, Stenvall J, Koskimies E (2022a) Everyone a philosopher? Learning during AI innovation. University of Tampere, Working Paper
- Kinder T, Stenvall J, Talonen A (2022b) Logics and agency in public management research. *Public Org Rev*. <https://doi.org/10.1007/s11115-021-00576-8>
- Kipling R (1902) *Just so stories for little children*. OUP, Oxford

- Klein G, Phillips JK, Rall EL, Peluso D (2007) A data-frame theory of sensemaking. In: Hoffman RR (ed) *Expertise out of context*. Erlbaum, Mahwah, NJ
- Klein G, Snowden D, Pin C (2010a) Anticipatory thinking. In: Mosier KL, Fischer UM (eds) *Informed by knowledge: expert performance in complex situations*. Routledge, London, pp 1–10
- Klein G, Wiggins S, Dominguez CO (2010b) Team sensemaking. *Theory Issues Ergon Sci* 11(4):304–320
- Kolko J (2007) Information architecture and design strategy: the importance of synthesis during the process of design. *Industrial Designers Society of America Conference Proceedings*
- Koskimies E, Stenvall J, Kinder T, Leikas D, Nieminen J (2023) Artificial intelligence and public innovations, Chapter 5. In: Väyrynen H, Helander N, Jalonen H (eds) *Public innovation and digital transformation*. Routledge, London
- Kuhn TS (1962) *The structure of scientific revolutions*. Princeton University Press, Princeton, NJ
- Kurtz BL (1979) Investigating the relationship between the development of abstract reasoning and the performance in an introductory programming class. In: *Proceeding of the 11th SIGCSE technical symposium on computer science*, Chicago, IL
- Lakoff G, Johnson M (1980) *Metaphors we live by*. University of Chicago Press, Chicago, IL
- Lau C-C (2003) China changing industrial system: challenges and prospects. In: Cheng YS (ed) *China's challenges in the twenty-first century*. City University of Hong Kong Press, Hong Kong, pp 409–444
- Lavant RF (2017) *The psychology of men and masculinities*. American Psychological Association, New York
- Lektorsky VA (1967) The dialectic of subject and object and some problems of the methodology of science. https://www.marxists.org/subject/psychology/works/lektorsky/essay_77.htm
- Lenin VI 1915 (1964) *Materialism and Empirio-criticism*, VI Lenin Collected Works, vol 14. Progress Publishers, Moscow
- Levi P (2011) *In the steps of Rosa Luxemburg—selected writings of Paul Levi*. Haymarket Press, Chicago, IL
- Levins L, Lewontin RC (1980) Dialectics and reductionism in ecology. *Synthese* 43:47–78
- Lindblom CE (1959) The science of “muddling” through. *Public Adm Rev* 19(1):79–88. <https://doi.org/10.2307/973677>
- Lukács G (2000) *Dialectical laws of history and nature*. Verso
- Merton RK, Barber E (1959) *The travels and adventures of serendipity*. Princeton University Press, Princeton, NJ
- Mészáros I (1971) *The necessity of social control*. Merlin Press, London
- Mészáros I (1995) *Beyond capital—towards a theory of transition*. Merlin Press, London
- Mills CW (1959) *The sociological imagination*. OUP, New York
- Moore M (2018) *Democracy Hacked – political turmoil and information warfare in the digital age*. OneWorld, London
- Morgan K, Cooke P (1986) *The associational economy: firms, regions, and innovation*. University of Illinois, Urbana-Champaign's Academy for Entrepreneurial Leadership Historical Research. Available at SSRN: <https://ssrn.com/abstract=1496189/>
- Morin E 1959 (2004 Edition) *Autocritique*. Seuil, Paris
- Morin E (1982) *The stars*. University of Minnesota Press, Minneapolis
- Morin E 1986 (1992 Edition) *Method—towards a study of nature*. Peter Lang, New York
- Morin E (2008) *On complexity*. Hampton Press, New York
- Naïm M et al (1999) Developing lean and agile supply chains in the UK housebuilding industry. *Proc IGLC* 7:0
- Nardi BA (1996) Activity theory and human-computer interaction, Chapter 1. In: Nardi BA (ed) *Context and consciousness*. MIT Press, Cambridge, MA
- North DC (1986) *Institutions, institutional change and economic performance*. Cambridge University Press, Cambridge
- Noveck BS (2021) *Solving public problems*. Routledge, London
- Nozick R (1974) *Anarchy, state and utopia*. Blackwell, Oxford

- Ochs P (1998) Peirce, pragmatism and the logic of scripture. CPU, Cambridge
- Oittinen V, Maidansky A (2014) Evald Ilyenkov and Soviet philosophy. Monthly Review Press, New York
- Oizerman TI (1981) The making of the Marxist philosophy. Progress Publishers, Moscow
- Ollman B (2009) Dance of the dialectic. University of Illinois, Chicago, IL
- O'Neill J (1973) Chapter-1: Scientism, historicism and the problem of rational. In: O'Neill J (ed) Modes of individualism and collectivism. Heinemann, London
- Osborne D, Gaebler T (1993) Reinventing government. Penguin, London
- Polanyi M (1944) The great transformation. Farrar & Rinehart, London
- Potter-Efron R (2002) Shame, guilt and alcoholism: treatment issues in clinical practice. Haworth Press, Oxford
- Power M (2007) Organised uncertainty. Oxford University Press, Oxford
- Radnor Z, Osborne SP, Kinder T, Baranova P (2014) Operationalizing co-production in public services delivery: the contribution of service blueprinting. Public Manag Rev 16(3):402–423. <https://doi.org/10.1080/14719037.2013.848923>
- Ratner C (1991) Vygotsky's sociohistorical psychology and its contemporary applications
- Ratner C (2002) Cultural psychology – theory and method
- Ratner C (2008) Cultural psychology, cross-cultural psychology and indigenous psychology
- Ratner C (2011) Macro cultural psychology: a political philosophy of mind
- Ratner C (2015) The politics of cooperation and co-ops, XXX
- Ratner C (2019) Psychology's contribution to socio-cultural, political and individual emancipation. Springer
- Rittel HW, Webber MM (1973) Dilemmas in a general theory of planning. Policy Sci 4(2):155–169
- Rubin II 2008 (1924) Theory of value. Black and Red, Moscow, available here (accessed 100322) <https://www.marxists.org/archive/rubin/value/index.htm>
- Rusi L, Stenvall J, Kinder T, Memon A (2024) Homelessness in Finland - dialectical problem solving, Tampere University, Working Paper (under review, Public Management Review).
- Rutgers MR (2008) Sorting out public values. Adm Theory Praxis 30(1):92–113
- Schatzki TR (2019) Social change in a material world. Routledge, New York
- Schön DA (1983) The reflective practitioner. Basic Books, New York City
- Schön DA, Rein M (1994) Frame reflection. Basic Books, New York
- Sebag MD (2025) *A Definition of Enchantment: A New Approach to the Analysis of Magic Systems in Fantasy Games*. Games and Culture. (Published online January). <https://doi.org/10.1177/15554120241310925>
- Seddon J (1990) I want you to cheat. Vanguard Press, Buckingham
- Seddon J (2008) Systems thinking in the public sector. Triarchy Press, Axminster, UK
- Sen A (1999) Development as freedom. Knopf, New York City
- Shapin S, Schaffer S (1985) Leviathan and the air-pump: hobbess, boyle and experimental life. Princeton University Press, Princeton
- Simon HA (1962) The architecture of complexity. Proc Am Philos Soc 106(6):467–482
- Skinner Q (1978) The foundations of modern political thought. Cambridge University Press, Cambridge
- Stenvall J, Kinder T, Kuoppakangas P (2018) Unlearning and public services – a case study with Vygotskian approach. J Adult Contin Educ 24(2):188–207
- Tangney JP, Fischer KW (1995) Self-conscious emotions. Guilford, New York
- Tirronen A, Kinder T, Stenvall J (2020) Learning in Finnish social work practice and research. Br J Soc Work. <https://doi.org/10.1093/bjsw/bcaa088>
- Tönurist P, Kattel R, Lember V (2017) Innovation labs in the public sector: what they are and what they do? Public Manag Rev 19(10):1455–1479
- Toulmin S (1958) Return to reason. Harvard University Press, Cambridge, MA
- Toulmin S (2003) The uses of argument. Cambridge University Press, Cambridge
- Turner A (2018) The business case for racial equity—a strategy for growth. W. K. Kellogg Foundation, Altarum, pp 1–42

- Tversky A, Kahneman D (1981) The framing of decisions and the psychology of choice. *Science* 211(4481):453–458. <https://doi.org/10.1126/science.7455683>
- Vogel L (1983) *Marxism and the oppression of women*. Haymarket Books, Chicago, IL
- Vygotsky LS (1929) Thinking and speech. In: Rieber RW, Carton A (eds) *The collected works of LS Vygotsky: problem of general psychology*. Plenum Press, New York
- Vygotsky LS 1934 (1987) *The collected works of LS Vygotsky*. In: Rieber RW, Carton AS (eds) *Problems of general psychology*, vol 1. Plenum, New York
- Vygotsky LS (1962) *Thought and language*. MIT Press, Cambridge, MA
- Vygotsky LS 1965 (1934) Plenum, New York, NY
- Vygotsky LS (1971) *The psychology of art*. MIT Press, Cambridge, MA
- Wagener T, Gupta HV (2005) Model identification for hydrological forecasting under uncertainty. *Stoch Env Res Risk A* 19(6):378–387
- Watanabe T (1994) Changes in Japan's public policies toward distribution systems and marketing. *J Mark Channels* 3(3):17–34
- Watson HJ (2014) Tutorial: big data analytics: concepts, technologies, and applications. *Commun Assoc Inf Syst* 34(65). <http://aisel.aisnet.org/cais/vol34/iss1/65>
- Weick KE (1995) *Sensemaking in organizations*. Sage, Thousand Oaks, CA
- Weick KE (1999) Theory construction as disciplined reflexivity: trade-offs in the 90s. *Acad Manag Rev* 24(4):797–806
- Weick KE (2015) Positive organizing and organizational tragedy. In: Weick KE (ed) *Making sense of the organization*, vol 2. Wiley, Chichester, UK, pp 207–221
- Wertsch JV (1985) *Vygotsky and the social formation of mind*. Harvard University Press, Cambridge, MA
- Yeoman R (2019) *Ethics, meaning and mutuality*. Routledge, London

Chapter 5

Transitions and Public Services



Abstract This chapter explores the role of public services in transitions from one mode of production to another, including from capitalism to socialism, emphasising the contribution of use-values (UVs) created outside the market sphere by households, the 3S and some PPPs. It emphasises the critical importance of rich democracy to successful transitions while the nature of transition will vary depending on history, context and culture. A meta-level exploration of transitions, including in Asiatic modes of production, prominently features public services as both a means and ends towards a socialist society with the capitalist state acting as barrier to fundamental transition. The chapter argues that the struggle for reforms, conducted not in a reformist manner but highlighting the need for fundamental socio-economic change, can demonstrate using active democracy and providing use-values the market is not interested in, can exploit the redundancy of capitalism shown by continuous wars, rising inequality and misery and now austerity and cutbacks in public services. It emphasises how fighting for better public services can raise consciousness of the desirability and possibility of a society in which worker's democracy and high-quality public services occupy the dominant role.

This is the final chapter in the first five-chapter section of the book composed of (1) Marx's work, (2) use-values (UVs), (3) nature and public services and (4) social change, public services and dialectics, and this chapter on transitions from one mode of production to another demonstrating the crucial role of public services in the transition from feudalism to capitalism and from capitalism to socialism. These chapters illustrate the relevance of Marx's basic conceptual tools for public services; there is a stocktaking at the end of this chapter. Chapters 6–10 then explore value-flows and public service institutions (welfare state, neoliberalism, households, third-sector (3S) and public–private partnerships (PPPs), followed by two chapters exploring services by user types: youth and elderly (Chaps. 11 and 12), and two chapters analysing service types: healthcare and city-services. (Chaps. 13 and 14). Analysis of race and gender and public services (Chaps. 15 and 16) is followed by learning and technological change (Chap. 17), public services and transition from capitalism (Chap. 18), democracy and planning (Chap. 19), conclusions, and China (Chap. 20).

This chapter establishes the role of public services in transitions into and out of capitalist social relations from a theoretical perspective; discussion in Chap. 18 on transitions being grounded in examples of countries transitioning from capitalism.

5.1 Introduction

5.1.1 *Summary of Argument*

In this chapter, the following points are covered:

1. Public services are important in the transition from feudalism into capitalism and from capitalism to socialism.
2. Marx's idea of Asiatic Mode of Production (AMP) was left under-developed. Public services are central to AMP, e.g., hydraulics, canals, roads, elite schools, city planning, in China: standards, language and innovations. Some AMP allows transition directly to socialism, without bourgeois parliamentary, capitalist phase.
3. Marx and Engels supported fighting for public service reforms while resolutely opposing reformism. Although their focus was on capitalist crisis, they dialectically viewed the state as both a barrier to socialism and provider of public service reforms.
4. Fighting for reforms in a revolutionary way is a means of raising consciousness, creating class for-itself, going beyond Trade Union or single-issue consciousness. Responses to transitions from a public service perspective include:
 - (a) Concern that public services could be lost, e.g. *moral economy* of feudalism.
 - (b) Extended public services limit capitalist profits; may help cause crisis.
 - (c) Aim of collectivised public services (material gains) motivates struggle for socialism.
 - (d) Involvement in planning public services a school for a planned economy.
5. Heritage differs between countries especially size of social surplus and relative strength of classes, meaning the public services gains varies with circumstances.

The chapter begins by exploring why public services are important for social transitions and an overview of mode of production transitions, followed by learning objectives and the interplay of causes and effects in transition processes. Summarising existing research, a second section explores historical debates, public services in feudalism and the role of public services in transitions. Section 5.3 analyses transitions and public services through a Marxist lens: what Marx and Engels wrote, their epistemic stance, how they supported reforms while opposing reformism, the importance of learning in change processes and a brief look at post-Marxist theory and public services in transitions. Section 5.4 discusses future transitions preparing for Chap. 18 which explores transition and public services in existing

socialist states, including planning and democracy. Turning attention to value-flows and transitions, Sect. 5.5 considers potential future transitions and value-flows, the role of UVs in transitions and briefly the impact of technology and the natural environment. Following chapter conclusions is an overview of the first five chapter's contribution.

5.1.2 Why Public Services and Transitions?

Chapter 2 argued that value-flows from public services are UVs: wealth created and distribution by non-market, non-money interactions, provided by the state, household, 3S or PPPs, cumulatively creating public value (PV). Transitioning mode of production from feudalism is not an orchestrated event, instead it is a lengthy process of working through contradictions embedded in relationships of the old mode of production and includes contradictions between the mode of production and social relations of reproduction. Without central coordination, people respond to new circumstances, threats or opportunities including public services which are envisaged here dialectically as both cause and effect of social change. Even transition into socialism, which may be consciously directed by political parties and class *for-itself*, is likely to be a lumpy, non-linear process.

- Economically, the greater the size of the public sector the lesser activities available from which capitalists can extract surplus-value (SV), or in the case of land-owners less rent (including *corvée* labour). A burgeoning public sector may drive a transition or alternatively stimulate resistance from opponents of the public sector.
- Transition from capitalism could be enabled by the experience of working-class agents in planning and delivering public services. Transitions may have different effects on different agencies providing public services, e.g. in transitioning from feudalism households lose their production and consumption functions, 3S (e.g. churches) may lose legitimacy and spatial coverage become redundant, the state may gain responsibilities and PPPs become formalised—less in the gift of powerful individuals.
- Upper class agents may lose *moral economy* obligations in transition to capitalism and risk losing private property in transition from capitalism, such as assistance in time of crisis and a rural-based legal system. Since transitions are unplanned and uncontrolled by individual agents, powerful people (e.g. land-owners) may resist transition from feudalism and from capitalism.

Transitions between modes of production are revolutionary social change events, in which multiple layers and levels of activity and relationships alter. These are troublesome times since the result of transition is a world of relationships yet unknown, unexperienced. Who and how will gain and lose is unclear as the processes interpenetrate and unfold; past relationships are little guide to the future. In transition from capitalism to socialism at least one political party believes it can

consciously control/shape the direction of travel and goals, no such party exists in the transition from feudalism. Public services, such as church charity in feudalism, may disappear with urbanisation, and entirely new services such as collectivised kitchens and childcare may appear during and after transitions to socialism. Major institutions such as Parliament may become stranded as archaic: new democratic arrangements in transition from capitalism such as workplace democracy significantly redistribute power. Exiting feudalism, peasants made landless by enclosures may unwillingly be compelled to enter the world of wage-labour and money to sustainable existence and reproduce (see Wolf 1969). Rentier capitalists may have to toil and upset their privileged lifestyle. Spatially, think of Haussman's Paris (Rapport et al. 2008) and Shenzhen (Cheng et al. 2019a, b). Cities and villages leaving feudal relations become unrecognisable space; public services are one factor in what Hill (1975) describes as *the world turned upside down*.

5.1.3 *Transitions in Mode of Production and Reproduction*

Marx's entire corpus of work concerns transitions: his theory of capitalism and mode of production transitions illustrated by historical studies (1776, 1789, 1848, 1871, 1857 and 1871) and vision of socialist destiny. He under-studied the role public services play in transitions. From his PhD studies, Marx had imbued Parmenides ideas of constant change and Epicurus' 'swerve' creating dialectical change and from Hegel the idea of dialectical progress, as contradictions in old social systems gave birth to the new. All this was famously captured in his 1844 11th thesis on Feuerbach: *philosophers have only interpreted the world the point is to change it*.

Defining Feudalism

Transition from feudalism becomes more clearly related to public services once their importance in the transition from feudalism to capitalism is appreciated. There is no single uncontested definition of feudalism, the nature of which alters from early, middle and late feudalism and between contexts and cultures. For Bloch (1939), feudalism is a system of obligations, from aristocracy and religious organisations to monarch, and from peasants to aristocracy (who either own peasants as tied tenants or lease land to free peasants, either of whom may have obligation for *corvée* labour). Aristocracy receives and controls any social surplus (see Box). They dominate culture and political processes to varying degrees alongside religious or other ideological bodies. As Engels noted in *The Peasant Question in France and German* by late feudalism, the peasantry is segmented between those owning land and free and landless labourers, landowners are either 'improvers' or allow deterioration. In late feudalism, Lords increasingly dispossess peasants of common land and rights. It is these landless labourers, whose numbers are increased as 'improvers' mechanise agriculture, Wood (1995, 1999) says, who need money to buy socially necessary goods and migrate to urban centres and becoming the proletariat.

Landowners and merchant capitalists adopted factory organisation accommodating machinery too large for the less efficient ‘putting-out’ system: from co-operation, manufacture, to modern industry.

The social surplus is the residue after meeting the necessities for life. In feudalism, this is predominantly agricultural products, in capitalism the surplus-value (in money form) extracted by capitalists from labour. Feudal surpluses are often used to finance military actions to steal value from others. Capitalist social surplus could add to capitalist’s accumulated profit (for investment or capitalist consumption) or be spent on meeting peoples’ needs in the form of public services. Social surplus is national gross (economic) profit, for Vollrath (2020) $Y + M = C + I + G + X$ (where Y = total income, M = imports, C = consumption, I = investment; G = government purchases and X = exports). In Marxist terms, taking the sum of all prices to equal value, total value created is $s + c + v$ (where s = SV (unpaid for value expropriated by capitalists), c = constant capital (recycled fixed capital and stock) and v = variable capital (wages paid), making the rate of profit $s/(c + v)$).

5.1.4 Overview of Modes of Production

Figure 5.1 begins our inquiry into public services during transitions, illustrating two points. Firstly, the higher the level of development a country has, the greater the social surplus and the more public services it can afford (subject to class struggle). Secondly, the more sophisticated an economy becomes, so too the more sophisticated its social reproduction, for example school education quality, public R&D, infrastructure including communications, physical and financial. Figure 5.1 in

Mode of production	Feudalism	Capitalism	Socialism
Outcomes	Products	Commodities	Use-values dominant
Materiality	Mostly tangible	Begins with tangible, later intangibles dominate	Intangibles with tangible element
Value-flows	Family/community Elite funded army, church and State Evolving merchants	To Capitalists Rising amount as Public Sector UseValues if working-class strong	Planned value flows International associations replace competitive advantage
Value-stocks	Palaces, granaries, gold stocks	Recycles Constant Capital Privatised ex-public wealth If working-class strong growth of public wealth	Public wealth dominates Declining, controlled private wealth

Fig. 5.1 Mode of production and features

simplified terms illustrates the make-up of a modes of production, illustrating different forms/levels of social production (feudalism-capitalism-socialism) require different forms of social reproduction to flourish.

Table 5.1 illustrates how mode of production characteristics differ

Marx retained this framework while writing the *Manifesto* (1848), only changing his view as his deep study of political economy (MECW-31) and the *Preface*, where he posed the idea of an Asiatic mode of production (AMP). He retained his original framework based on the British Industrial Revolution while when preparing *Capital* (1867), continuing his studies of India, China and Russia (letters with Vera Zasulich, MECW-46). He then acknowledged that feudal democratic communes in Russia might support (Polanyi's phrase) *double-movement* directly from feudalism to socialism. Figure 5.2 conveys the dynamism in Marx's ideas of modes of production evolving over time and due social pressures and crises (leapfrogging capitalism darkened circles, from late feudalism. Note Marx's theory is NOT a stages theory, in different circumstances some of these production modes may be skipped or take different forms).

An understanding of economy and level of wealth is essential for public services. The reason an African family receives less state welfare support than the European family is not that Africans are less deserving, nor necessarily governance arrangements, but higher per capita wealth and overall social surplus. Many public services are value-creating Mazzucato (2015) argues—education, training and infrastructure: poorer countries afford less of these. At lower levels of wealth production, the pattern of public services is limited to essentials (say education) neglecting other areas (say infrastructure). Priorities for spending the social surplus will be the result of class struggle. Marx's insight is that relations of reproduction and relations of production interact, if reproduction stalls, so too does production, as the

Table 5.1 Defining characteristics of modes of production and relevant to public services

Mode of production	Characteristics relevant to public services
Ancient slavery	• Constrained by law war captives • Barbarians not Greeks or Romans
Feudalism	• See below: Rigid social hierarchy with monarch, Lords and religious institutions owning land and accruing the social surplus • Slowly changing social, economic and technological relationships. • Public services often religious organisations and <i>moral economy</i>
Capitalism	• Early capitalist jungle in newly urbanised cities often without elementary services such as clean water, sewage, housing and transport. • Later capitalism services supporting production mode, e.g. education of workers and healthcare. Perhaps international relations serving capitalism, e.g. military deployment and diplomatic services
Socialism	• Common ownership and labour hours distribution of goods • Transitory; evolving public sector. • Preobrazhensky: Primitive socialist accumulation or alliance of friendly states
Communism	• Abundance and dis-alienation, the rounded new persons: from each according to their ability to each according to their needs.

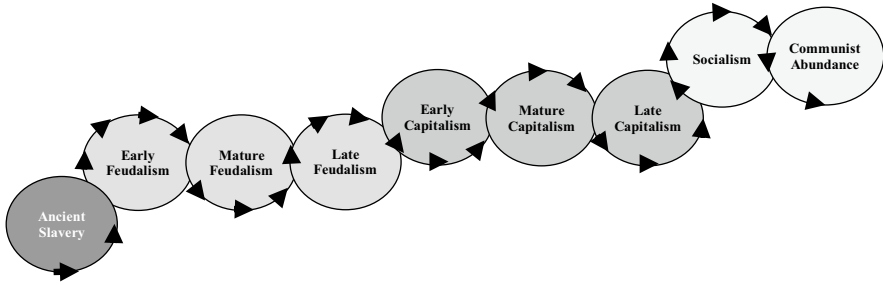


Fig. 5.2 Modes of production progression/change

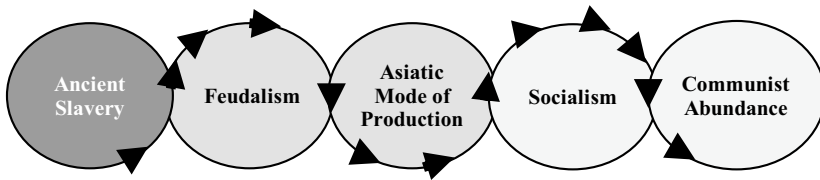


Fig. 5.3 AMP mode of production progression

baby-shortage in many countries currently demonstrates. French *regulation theorists* (Boyer 1990) use this insight to explain how capitalism enjoys periods of growth, (1945–1973 Europe or 1985–2010 Australia); by aligning mode of production and relations of reproduction (Fig. 5.3).

Social, technical and financial arrangements constituting modes of production ‘grow-over’, emerging into new modes of production at different paces and with different levels of non-linearity. All these impacts on the scale and scope of public services in reproduction and production require to support each other. It may be, we discuss below, that specific modes of production have now multiplied to include Asian, African, Arab and South American modes. Differing modes of production suggest that the nature and type of revolution to change from capitalism to socialism also vary, confirming Marx’s rejection of recipes and formalistic, universal ways forward, looking instead to the emergences and ecosystemic relationships discussed by Arthur (2015) and other complexity theorists. Note that re-combinations in growing-over processes likely result in unforeseen and unintended new arrangements. An example of this in public services is when health and social care ‘big’ systems integrate and change; known as Metasystem Transition theory. Some aspects of transition may outpace others, leaving ‘reverse salients’: Lenin’s (V-4) *combined and uneven* development. Marx’s mode of production framework is not a stages theory, contradictions in an old system live side-by-side with the emergent new mode of production. Nor are contradictions paradoxical since social contradictions are resolved in struggle (Sainsbury 2009). Public services play an important role in mode of production transition and that major changes in public services provision are to be expected resulting from transitions.

Learning Objectives

- **LO-5.1:** What role do public services play in transitions given that (a) transition from feudalism is wholly uncoordinated, (b) transition from capitalism may be led by a Party (also luck/fortune), Marx's 'classic' transition and (c) transition from AMP (hydro, canals and roads also education/for some) to socialism involves an alliance with peasants and appeal to their interests.
- **LO-5.2:** *Class struggle in transition to socialism and public services.* Criticised rights from state; M&E saw the state instrument of ruling class (*Manifesto*), only after the 1971 Commune (*Civil War in France*) did he argue the need to capture and then destroy the state, defend dictatorship of the proletariat, erecting new democratic structures to enhance productivity and production. The big class struggle in feudalism is bourgeoisie vs land-owners, in capitalism the working-class vs bourgeoisie.
- **LO-5.3:** New and emergent barriers to socialist transition: premature servitization (Rodik 2013) and taking away the development ladder (Chang 2005). What opportunities and barriers to transition are emerging in today's service dominated and globalised world? For Marx and Engels, as their critiques of the Erfurt and Gotha programmes of the German SDP illustrates, they applauded public service reforms while pointing to the dangers of reformism.

Classic and Alternative Transitions

Marx viewed history as evolving modes of production, economic relations interacting with social relations of reproduction. He thought Britain a 'classic' case of capitalism that (with changes for context and culture) would become a template for other countries as they industrialised and capitalised. By 1859 (*Preface*), he was envisioning AMP alternatives to the feudalism-to-capitalism-too-socialism as he studied USA (NY Times), India (MECW-Vol:12) and France (18th B; *Civil War in France*) and Russia. Zasulich's (1880) data on democratic structures in Russian *mir* communes and Chinese centralised land ownership accompanied by large-scale (often hydrological) projects persuaded him that transitioning from a feudal to a socialist mode of production was possible. We cannot know how he would have developed the AMP concept and transitioning models. In *Capital* he had been careful when discussing the generalisability of his change model to emphasise class struggle and commodity production as the motors of history using dialectical tools. Chapter 2 expanded the use Marx made of UV as a type of public service. Key figures such as Lenin, Trotsky and Mao Tse Tung along with important Marxist historians adapted the AMP notion to contexts and cultures justifying the feudalism-socialism transition, in which social surplus and public services play a prominent role. Other examples include Japan's development state; Canada and Saudi Arabia's oil dependency; Brazil's export-led and import substitution model;

India's service sector with low infrastructure; China's socialism with Chinese characteristics (SWCC) planning-led economy.

Class Struggle in Transitions and Public Services

The shape of a new capitalist mode of production (institutions, laws, ways-of-working, patterns of capital ownership and working-class organisations) is a dialectical process—the result of class struggles, centred on a nascent working-class, rising bourgeoisie and declining landowning aristocracy (see Banaji 2010). These struggles, class alliances and heritage differences support the *Varieties of Capitalism* (Hall and Soskice 2001) approach, rejecting linear or deterministic pathways. Establishing socialism suggests conscious human (goal-directed) agency, in which visions of collective future public services may be important—such as the Bolshevik's Land, bread, peace! Resolving internal contradictions can mean the state becoming a vehicle for creating and distributing UVs. The reach of colonialism may also frame transitions from feudalism (Rodney 1972; Roberts and Martin 2018), including neoimperialist intervention (Ellner 2021). The larger the social surplus the greater role public services play in capitalism-socialist transitions.

Servicization and Development Ladder New Barriers to Transition?

Premature servicization is Rodrik (2017) term for industrialising countries skipping the expansion of manufacturing and moving into services, with private service commodities being lower productivity and less exportable, precipitously reaching Kaldor's (2005, 2006) peak manufacturing. Engel-effect predicts that as incomes rise, consumption of basic physical necessities falls but rises in high-value services, shown in Fig. 5.4.

Proponents such as Dasgupta and Singh (2006) accept Baumol's (2012) cost disease (service productivity lowers because of less automation). By limiting

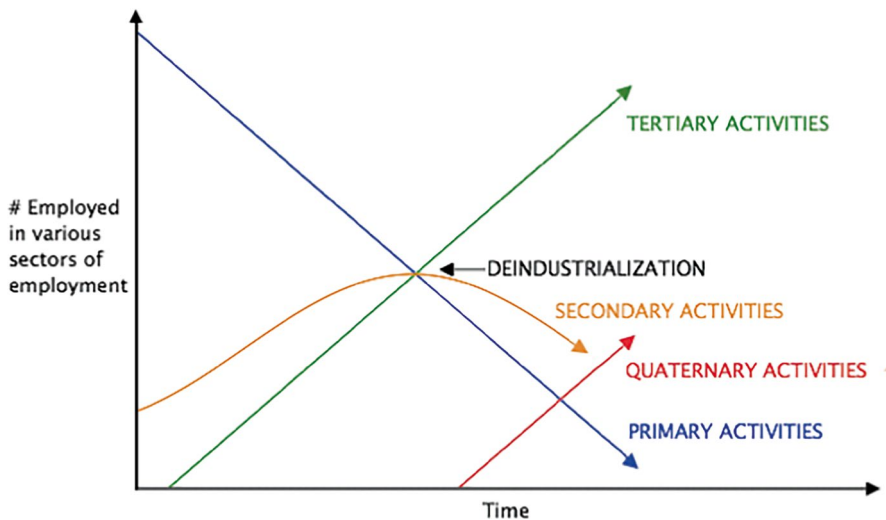


Fig. 5.4 Premature servicization

exports of manufactures and exports, premature servicization creates a low-paid industrial reserve army of labour (precariat), unless services are quaternary (high-value) such as back-office, ecological-tourism, creative industries and knowledge-generative R&D. Creating high-value services is challenging in countries with low education heritage. Kaivo-Oja et al. (2024) note the tangible element in most services countering the Baumol effect. The most desirable new industries create high knowledge flows and spillovers (Griliches 1992). Countries such as South Africa and Turkey are said to have plateaued low, meaning a low social surplus (Fujiwara and Matsuyama 2022). As manufacturing wanes, Dasgupta and Singh (2006) noted, economies suck in imports adding to balance of payments difficulties.

All this can lead to a smaller social surplus meaning less value available for public services, unless funded by borrowing (the Keynesian multiplier effect). Premature servicization means some African states face jobless-urbanisation reflecting Sassen (2015) argues, an inability to build clustering, an effect found in black communities in the USA (Marable 1993). Many developing countries face acute shortages of investment capital, not having colonial free value-flows such as slave-traders (Williams 1943), Spanish conquistadors (Hanke 1949), British cotton from Egypt or Newfoundland fish (Pope 2004). As Preobrazhensky (1926) noted the only option is *primitive socialist accumulation*, helped (for example in China's case) by high savings ratios and inward foreign direct investment (IFDI).

A quaternary services sector replaces Lefebvre's three-sector model (agriculture-industry-services) with what Bryson et al. (2013) term *service worlds*. Nordic countries have been beneficiaries based on their high education levels (Schafran et al. 2017), including in their public services. Marxists reject Lapavistas' *profiting without producing* (2013) argument based around financialisation and Kelton's (2020) modern monetary theory.

Note that for Marx while the hospital carer, cleaner, games designer and digital banker employed by a capitalism each contributes 1 day of labour-power; they generate the different levels of value. When capitalism brings the products to market, they can charge a price for quaternary sector services above the socially necessary labour time need to reproduce (say) the games designer and therefore to take from the social 'pot' of value created a large amount of SV, which they expropriate from the design worker. ÓhUallacháin (1989) and Sassen (2015) find that quaternary services cluster in attractive locations able to attract internationally-mobile labour, offering high-quality private and public services and infrastructure.

5.1.5 *Transitions and Public Services: Causes and Effects*

In the *Dialectics of Nature* Engels makes the point that in dialectics cause becomes effect and effect becomes cause. Later we argue that public services not only remain an essential aspect of people's lives; they should be more so, i.e. public services

should be expanded. To illustrate why this idea is not crazy, this section illustrates the importance of public services historically—public services have always played an important role in social relations and in the transition from one mode of production to another. Mode of production here simply means the dominant (not all-pervasive) property relations governing in each era how the means of production are organised and the size and distribution of the social surplus.

We adopt the same scheme of progressing through modes of production as Marx (and previously Hegel) used: ancient slavery, feudalism, capitalism, socialism and communism; social change which for Marx is driven by alterations in the mode of production and not abstract ideals.

Note also that the example referenced most often is Britain (England, Wales and Scotland), simply because this is the first transition to capitalism and the one most used by Marx in his analysis. Historical periodisation of eras is always provisional and heuristic. British capitalism did not simply begin in 1700. Instead, dialectical forces, primarily exploiting the means of production available in each mode of production, create the new society in the womb of the old society: there is a growing-over, a period of transition. Dates are therefore simply pegs on which to hang analysis. Growing-over implies dialectical change within each mode of production; shown here as early, mature and late feudalism or capitalism (see Fig. 5.2). The point being to identify what public services existed during each phase of modes of production and what role public services played in transition to the following mode of production. There are no universal neat historical periods, and each country has its own history, context and culture giving some different forms and interrelationships to how the mode of production plays out. Mode of production is an abstraction based on value relationships and not a description, perhaps unrecognisable to people at the time. The aim is to establish that public services were important to the functioning of, and transition from each mode of production to the next mode of production, recalling from Chap. 1 that we regard households, the third-sector and the State as providing public services and do not confine them to formal State provided services. While the role of public services varies in each mode of production transition, in all cases a part is played by the State, family and 3S. As indicated above, Marx theorised an AMP (see Figs. 5.2 and 5.3), which complicates the narrative, since alternative scenarios appear, as exemplified by the 1917 and 1949 revolutions in Russia and China.

5.2 What Do We Know?

Acaroglu (2020) consider transition issues, noting the role of technology, the natural environment and public services. Here we summarise some of the debates around transitions.

5.2.1 *Historical Debates*

Marx's dialectical position on transition from feudalism is best represented by Ellen Meiksins Wood (1986) past co-Editor of *Monthly Review*. She identifies 'improvers' in agriculture alongside mechanisation as locking-in labour-saving productivity and the agricultural surplus needed to support an urban proletariat. Labour movement lack of organisation in early capitalism meant that worker's agitation was limited to vague democratic demands (the British Chartists and 1848 Parisian and Viennese protesters without a programme for public services). Like Robespierre and the French revolutionaries, they had a republican democratic programme, with only limited socio-economic demands (public service workshops for the unemployed in the case of Robespierre).

Marx's Dialectical Transition: Feudalism to Capitalism

Some of the subtleties of Marx's position were recognised only later in ideas such as Whitehead's (1929) *Process and Reality* featuring *being and becoming*, stability and change, like Marx's dialectics social change resulting from agent–structure interaction, unafraid of novelty and creativity. Marx's rejection of recipes and formulas is reminiscent of Mao's dictum that new forms of organisation will arise in the struggle or his point-to-surface interpenetration of new ideas, structures and practices. Mao and Marx, unlike Whitehead, were materialists. Prigogine (1993) distinguishes the *physics of being* and the *physics of becoming* suggesting an *End of Certainty* which explains Brugger and Kelley's (1990) remark on the popularity of Prigogine's work in China; especially Prigogine and Stengers (1985) *Order of out Chaos*. Little difficult is found envisioning dialectical processes being both social and natural. Acaroglu's (2019) suggestion that Marx can appear Eurocentric is disputed by those familiar with his flexibility around AMP and deep study of China, India and Russia.

Historical Debate and Practice

Sweezy's (1945) history of capitalist development is an example of theory and history conflating, with historians (Dobb 1946; Hilton 1976; Hobsbawm 1952) disputing historiography (and in Dobb's case, value theory); later Thompson's (1979) evidence of the feudal *moral economy* (mutual obligation in crises) especially churches and some Lords supporting peasants add to the critique.

Marxist dialectics rejects binary choices and therefore in the history debate around *commercialisation*, i.e. whether internal contradictions or exogenous stimuli drove the transition from feudalism to capitalism, the Marxist says both, noting that each socio-economic context and culture differs as do these change drivers. Harvey (2000:174) takes this argument too far forgetting Marx's universally-applicable commodities, exploitation, rate of profit, etc. Following the Paris Commune (1871) Marx emphasises the dictatorship of the proletariat seizure of state power, a lesson Lenin embedded in *State and Revolution* and Trotsky from the 1905 Soviets in (1977:224). Only later did formalistic Stalinist thinking seeking to impose three

‘stages’ on the Chinese revolution (1927) and later in South America as Ellner (2021) notes, insisting on alliances for a bourgeoisie-democratic phase when direct socialism was possible. Mao, like Lenin recognised that a working-class leadership of an alliance with peasants offered transition from feudalism directly to socialism, opening the door to programmes of radical public services. The alternative being Bonapartist dictatorship (Mobutu, Bokassa, Somoza and Duvaliers) or as Roos (2019) debt-traps fearful of repayment default. Unless socialists’ consciousness break what Mattei (1922) calls the *capital order*, it will continue to dictate terms, including availability of any public services. Even without a significant social surplus, offering women the *liberation of work* (Zetkin’s phrase), entails Preobrazhensky (1926) says providing childcare, elder-care, healthcare, collective cleaning and kitchens—a focused programme of public services. Such transitional ruptures were embedded in Marx’s thinking from his earliest work and not, as Harvey (2000:174–175) suggests, a later addition.

5.2.2 *Feudalism’s Public Services*

For Smith (1776), public services were limited to the needs of nascent capitalism and its state: an army, judicial system with some education and transport infrastructure. He wrote as factories began production in Scotland. Hatcher and Bailey’s (2001) historicised *Modelling the Middle Ages* better captures how feudalism evolved in division of labour and social structures. Early feudalism in Britain (1066–1350) was Norman feudal castle/village structured with public services confined to church charity, Lord *moral economy* discretionary assistance in troubled times and villager mutual support and division of labour. Public services in mature feudalism (1350–1600) suffered from Henry VIII’s dissolution of the monasteries in 1536 (Clark 2021), transferring the equivalent of three-years GDP from a public to the state and private sector and ending church charitable support to peasants and farm labourers. Perhaps the largest privatisation ever significantly downgraded public services. By late feudalism (1600–1700) and Adam Smith’s time, British population had increased from 3 to 5 million as cities expanded, helped by the Elizabethan ‘bump’ the use of coal for heat and industry and value-flows from the slave trade. In other countries, public services took different forms. For example in China, state schools were more prevalent and ‘gentlemen’ dispensed charity to the poor with the emperor sponsoring hydraulic projects (Wittfogel 1957) and distributing grain when harvests failed, a task mosque undertook in Muslim countries. Overall, we see public services during feudalism as dynamic and state-oriented in AMP societies than Europe.

5.2.3 *Nature of a Transition and Public Services*

Counter-Revolution

From three separate continents, what do the Indonesian Dipa Nusantara Aidit, the Chilean Salvador Allende and African Patrice Lumumba have in common? Gruesomely, they were all murdered by counter-revolutionary forces while leading socialist transitional change. Fannie Kaplan shot Lenin at the instigation of Ukrainian SRs; and Rosa Luxemburg and Karl Liebknecht were murdered by fascist militia in 1919. Most countries come into existence as independent nation states as the result of violent revolution (think of 1776 USA), revolutions that capture state power either for the left or the right: revolutionary transition cuts both ways. Most countries have a story to tell. For example, now long forgotten in the Finnish Civil War of 1918 some 10,000 leftists were executed by White Guard forces including



Patrice Lumumba, socialist President of Congo murdered in 1961.

the Social Democrat leader Jukho Raino, and writer, Irmani Rantmalla.

No tiger gives up its claws without a fight. The first issue in transition from capitalism therefore is whether the forces of capitalism mount violent opposition. Engels is clear: *they will use violence against us*. The list of foreign interventions against leftist Governments is a long one and includes 1917 twenty-one foreign armies invaded Russia; untold murders occurred in Spain when Franco's fascists overthrew the democratically-elected Government of Manuel Azaña in 1936; armed intervention in Greece in 1947 after the election of Communists into Government; the Iran 28 Mordad coup d'état against Mohammad Mosaddegh's Government in Iran in 1953; innumerable interventions in African states including coups since 2020 in Mali, Chad, Guinea, Sudan and Burkina Faso; and in South American states: Nicaragua (1912), Cuba (1961), Dominican Republic (1961), Bolivia (1971), Chile (1973), Argentina (1976), Haiti (several times), Guatemala (1954) and Panama

(1989) and the failed coup against President Hugo Chávez of Venezuela in 2002. The Truman Doctrine pledges American *support for democracies against authoritarian threats* is embedded in the NATO alliance of 31 countries. Noting that most of the leftist Governments above were democratically elected. The first task after a socialist transition, therefore, is establishing a dictatorship of the proletariat to protect the transition. One of the first socialist public services therefore has to be the ability to fend off violent attack by counter-revolutionaries.

Learning from Logic-of-Practice in Crisis

Capitalism-socialism transitions occur in crises, characterised by a ruling class unsure if it can continue and a working-class and allies insistent on social change. Yet, as Lenin said, for capitalism there is a way out of every if the working-class is prepared to pay the price. Unless democratic forums alternative to the bourgeoisie state machines are rapidly established, there remains ways to stifle transition or even create a fascist dictatorship. Perhaps the 20,000 French citizens killed by the French army in the 1871 Paris Commune (while the Prussian army encircled the city) could have been saved had the Communards marched on Versailles or sent delegations across France preaching the socialist cause. History is full of what-ifs. The new society is born from the bowels of the old. The ‘new’ must be appealing, this is the importance of public services: a vision of a better life, of the social surplus meeting peoples’ needs instead of private accumulation. Leaders of socialist transitions must learn rapidly the threats and opportunities they face, Connolly and Prothero (2008) advises.

Wary of Logics

Agency is relational, enlivened only in social processes (Burkitt 2014). It is in Whitehead’s (1929) terms *becoming*, not *being*: an emergence that is coproduced (Weber 1979), the result Hampshire (1960) argued in her anti-rationalist *intentionalist theory of mind*, of self-will; agency initiated by or reacting to reflection. As Kinder et al. (2022) argues, we should be wary of logics in the sense of pre-determined outcomes: socialists are disruptors.

5.2.4 Understanding Transitions

Classes and class struggle; mode of production; sub/superstar; ideology and false consciousness; servicization and premature.

Although not Marxists, Denhardt and Denhardt (2000, 2011, 2015), Keast (2003, 2021) and Keast et al. (2014) make important points about democracy as an alternative to NPM managerialism. Though with only European civic societies in mind, which they frame as associative civic society distinct from state, market, family and personal networks. Hauser (1998:32) say Marx envisaged multiple discursive arenas, each with their own defining characteristics, a richer set of interactions than binary holding a separate state to account. Denhart and Keast speak of oscillating space and overlapping interactions, around practical issues of public services, creating the direct civic engagement (Ringeling 2017). Note the importance of using

public services to solve problems as the bread-and-butter business of the active civic engagement and the opportunities advanced AI technologies give for direct democratic planning (Roy 2022). Vigoda (2002:532) contrasts Marx's approach with top-down statist nationalisation, bemoaning the absence of direct democracy: *Such attempts were too few, too vague and too slight in their impact ... Accordingly, citizen engagement remained secondary to well established public administration mechanisms*. Marx's freedoms are grasped by the working-class activists not given by the state.

5.3 Transition and Public Services Through a Marxist Lens

5.3.1 Marx and Engels: For Reforms and Public Services, Against Reformism

The Problem of Reformism

Cumulated reforms do not constitute a transition since ownership and control of the means of production and state remain in capitalist hands: Sweden and other Nordic states are examples.

Reformism is the illusion that by accumulating reforms a parliamentary road to socialism is achievable, with the working-class holding illusions that a reformist party will someday lead a transition to socialism. Even openly capitalist parties will concede reforms under pressure. Reforms can improve worker's lives; think about healthcare, education, infrastructure and social housing. The Marxist point is that the struggle for reforms should be used to raise consciousness of the need for more fundamental change in the mode of production: this is Luxemburg's (1900) key point. Reformists believe that capitalism can be legislated out of existence bit by bit, (a) since the owners of private property as Engels said, *will use violence against us* therefore a dictatorship of the proletariat is necessary replacing the dictatorship of the bourgeoisie to resist capitalism backlash, (b) socialism cannot be achieved top-down and instead must be *self-emancipation*, the self-activity of a working-class acting for-itself, since socialism requires active citizenship participating in democratic planning at all levels of society. A flaw in Luxemburg's work is not explaining why workers have illusions in reformist parties. Section 13.3.4 discusses these issues more fully.

Marx and Engel's Writing on Public Services and Reformism

In Marx's day, public services were virtually non-existent, especially in industrial towns. This does not mean he and Engels had little to say of relevance.

Marx's (1844) *Critique of Hegel's Philosophy of Right* makes two fundamental points. Firstly, 'rights' conceded can be lost, taken away in future: today we see neoliberalism seeking to dismantle, takeaway rights in the form of public services previously thought of as permanent gains. Secondly, working-class emancipation is an act of self-activity, workers building a new Mazzucato world based on a

dis-alienated being, exploitation ended, making choices without top-down impositions from the state. The democratic reforms workers fought for (but lost) in the 1848 revolutions were examples of single issues: passively voting periodically or republican constitutions Marx argued in *Class Struggle in France 1848–1850* and *The Eighteenth Brumaire of Louis Bonaparte* while important, will not fundamentally change capitalist exploitation. In *The Peasant Question in France and Germany* (1894, MECW-27), Engels pointed out the importance of democratic reforms for the opportunities given socialists to openly agitate and build support.

At various meeting of the 1st International General Council, Marx (MECW-44) emphasised the point of socialism as a self-activity of the working-class, criticising Trade Union consciousness as *too exclusively bent upon the local and immediate struggles with capital [and had] not yet fully understood their power of acting against the system of wages slavery itself. They therefore kept too much aloof from general social and political movements*: while support the struggle for reforms, he is denouncing reformism.

Portending current debate on whether gender or race emancipation precedes socialist change, Engels' *Principles of Communism* (1847) argues socialists should ally with single-issue campaigns without illusions they will overturn capitalist exploitation. In *Capital* part-III, Chap. 10 (1892), Marx riles against child labour, arguing for protection of women workers, limits on working hours and more workplace inspections. These are examples of reforms, inspections are public services, that are desirable, worth fighting for, however, will not overturn capitalism. Marx and Engels critiques of the German SDP programme (Gotha 1875; Erfurt 1891, MECW-27) relate to the absence of taking ownership of the means of production and replacing the dictatorship of the bourgeoisie and their state, with a dictatorship of the proletariat introducing democratic structures, including in workplaces and enabling democratic planning of production to meet needs not profits. They approved of the public service reforms such as gender equality, public services in health, education and housing, technical training, criminal justice services, investment in scientific research and inspectors ensuring compliance with working day/age standards. Similarly in the 1870s/80, they wrote to the French socialist party (POF) under Guesde and Lafargue (MECW-24:340) supporting reforms but opposing reformism calling for expropriation of capitalists (MECW-46:148). After the 1871 Commune, Marx's key lesson in *The Civil War in France* was that socialism requires its own democratic structures and should smash the bourgeois state machine. He supported plans for free education and healthcare, and housing controls: drawing a positive picture of socialism founded on public services.

Engels (1884/2007) *Socialism: Utopian and Scientific* argued that without planning and enhanced productivity using the latest technologies, the workers' state would not be able to afford a wide range of collective public services. Challenging Eugen Dühring's *Revolution in Science*, Engels (1895) *Anti-Dühring* disputes the argument that capitalist production is acceptable, distribution is the problem (Dühring's *socialitarian* perspective). Engels points to the exploitation of women and children. He goes on to support secular, free education for all, with a curricular blending vocational skills and creativity.

This survey of Marx and Engels' work illustrates the points from Engel's *Testament*: reforms yes, reformism no; prepare to defend gains of working-class with dictatorship of the proletariat; noting how incremental cannot accrue into socialism, which requires conquest of the state.

5.3.2 Marx's Epistemic Stance

Marx has no separate epistemology (theory of knowledge) since human activity labouring on natural artefacts (concrete reality) is the source of knowledge, uses knowledge and humans are the creators, distributors and users of knowledge: they occupy the same material reality (Resnick and Wolf 1992:43). There is no mind-body dualism like in much of philosophy where the human 'mind' is viewed as separate. When discussing Vygotsky's social learning, we saw that emotions and relationships count in knowledge-making (akin to Confucius' theory of learning); there is no a-social, rational individualism.

Knowledge is embedded in human activity: this is why Vygotsky's theory of learning is known as *activity theory*. Hegel's spirit is anathema to Marx for whom there is nothing other than matter, as Levins and Lewontin (2009, *The Dialectical Biologists*) say, even thoughts are created by matter in the brain. Because the world is constantly changing, so too is our knowledge (thoughts and ideas). Harris (1968:71) says, we are never in equilibrium, we are always renewing, reviewing our learning Dudley (2003) says, rising from the abstract to the concrete: we make and are made by history (Kain 1980). While for empiricists abstraction arises from sensuous experience, for materialists, Ollman (2003) argues, abstract and concrete are always interacting, activity is the connector. Only when ideas are ideals ungrounded in practice do they become ideology, capitalist ideology must be like this, since reflection on practice exposes capitalist ideology as vacuous. Material condition inherited over generations Oizerman (1981) says form a material sub-structure, with ideas and culture an interconnected superstructure, without an independent existence. As Parekh's (1982) *Marx's Theory of Ideology* notes, ideas alter between societies which have different property relations. Labour and nature (*Grundrisse*:104) are Marx's two concrete categories. Capitalism is only an abstraction as is EV, whereas UVs are concrete and useful (Gould 1978:17).

Abolishing capitalism is an act human will, requiring Marx says (GI:173) the *existence of a revolutionary class* abolishing private property. Since labouring activity—working on what nature provides—is the starting point of human knowledge and society, the labour theory of value is inseparable from Marx's idea of knowledge: it is not a moral preference, but the start point of concrete reality, evolving from when humans made the first tools. Equally, Oizerman insists, Marx has no separate political epistemology since in labouring to provide UVs, workers smash against the contradiction of capitalism making only profitable commodities. Marx's method, *Grundrisse* (1973:101) rising from the abstract to the concrete unifies the

many dimensions of social ideas and is distinct from the ideologies/ideal imposed by capitalism Ilyenkov (2020) notes, such as ‘the market’ or ‘efficiency insists that’.

Policy-making and service delivery are social activities in which individuals engage; processes requiring ‘minds-on’ activity continually interacting with other people; thinking and feeling to understand what is and what might be. These cognitions and emotions relate to practical artefacts (often services) grounded in a particular social context, in which individuals and groups undertake sense-making. Active individuals and groups engage in expansive cycles of discourse and learning, digging deeply into problems and solutions, i.e. meanings, using conceptual tools, metaphors, experiences, examples—the whole range of social learning tools. These tools, including how the context and problems are framed and conceptualised, are never neutral, there is no “*out there*” solution awaiting discovery, instead, based on their values, participants construct social interpretations. Policy ideas have no life of their own, no inner-logic; peoples’ activity using chosen epistemological frames gives meaning to ideas and interprets experiences. Policy-making and service delivery begin and end with people actively engaged; ontologically as Lukács (1978), Bhaskar (1979) and many others make clear, giving ‘life’ to ideas separated from people is idealism (this includes public service logics): metaphysics separated from social reality. In the absence of a rupture between subject and object, reasoning is idealised into a world uninhabited by people.

5.3.3 *Post-Marxists, Transitions and Public Services*

Marxism has always given birth to critics either revisionists within the movement (Bernstein 1901; Kautsky 1909 in the early twentieth century) or those on a journey abandoning socialism continuing to use Marxist concepts. Given the importance of public services both as reforms and as stepping stones to socialism by challenging market dominance, today’s critics can shelter behind a reformist advocacy of welfare as an alternative to fundamentally changing the mode of production and replacing the capitalist state with proletarian democracy. Here we summarise the work of some of these critics. Many of these critics are idealists explaining why they have little to say about material public services, solving problems citizens is too concrete and unworthy of the idealist’s attention.

Ex-Marxist Attacking Marxism

Fusing psychoanalysis with Marxism in 1923, the Frankfurt School has adopted a pessimistic position on progressive transition including Marcuse (1964) and Adorno’s (1991) consumerist pessimism, Horkheimer and Adorno’s (1972) social pessimism, Habermas’s liberalism (1986, 1987) and Walter Benjamin’s (1955) conservative views on human nature (see Jeffries 2016).

Streeck (2017:2017) says much about the disorders ending capitalist power and little about the activities of people tipping power relations. He argues that some combinations of internal contradictions will end capitalism’s reign including

stagnant growth, populism and indebtedness. He suggests that Polanyi's (1944) central contradictions in land, labour and money are resulting in the dominance of non-capitalist relations, emerging, growing-out from the old society, an interesting point given our argument that UVs may now dominate value creation. He concludes by rejecting Marxism.

Anarchists

Since Bakunin's disputes with Marx over the nature of the state and how to organise for transition. Much of Chomsky's work is in this tradition as is Grabler (2013) who connects with voluntarist public services being suspicious of any state-based activity accusing Marxists of being focusing on production. He joins Baudrillard's (1975) sceptical dismissal of the idea of mode of production, dismissing *bullshit jobs* (2018), vaguely arguing that knowledge could replace work. Grabler's anti-state perspective leads him to regard public services as a problem, a capitalist trap, rather than gains for the working-class.

Working-Class Agency Ex- or Anti-Marxists

Academics, including sociologists sometimes use Marxist terminology to 'prove' why the working-class is not the collective agency for socialist change, often processes become more important than end results such as public services. Laclau and Mouffe (1985) abandon class analysis favouring instead radical democracy, meaning a society build around voluntary (non-state) associations, a *poetry of the future* based on discourse. Laclau (1971) focuses on oppression of labour not exploitation substituting logic for class struggle (1977) resulting in a moral case for change, a left-populism.

Balibar (2015) argues the irresistible strength of the capitalist state now makes working-class struggle for fundamental change futile (1994) since it can incorporate disruptive social forces (1974), hence the most workers can achieve is moralistic, humanistic minor reforms. Other sociologists deny working-class agency include Levitas (1990, 2013) who argues a sort of cultural-democratic revolution can repopulate state structures, abandoning any hope of overcoming capitalist exploitation, a utopia-as-method like Poulantzas (1973). Holloway (2002a, b) urges consumers to *stop making capitalism* meaning to begin planning what workplaces and communities can achieve, Melucci's (1996) politicising areas of everyday life or Wright's (2016) building the new from with the old. These are hopeless theories failing to recognise the high level of consciousness necessary and not connecting with material needs to end exploitation. Without such a materialist focus, Rahnema's (2017) *Transition from Capitalism* is likely to become lost in recognition/identity politics (see Chap. 18), already infecting Toscano's (2014) de-programmed transition and Balibar's (2015) focus on reproduction.

Jameson (1996) too despairs of a successful transition to socialism, Marxism stagnating in critiques of capitalism without a clear route to change. Like Bloch's (1975, 1995 *educated hope*), and Laclau and Mouffe he embraces a utopian future while at the same time acknowledging it is unachievable. Dismayed by Stalinist practice in the Soviet Union and the end of Stalinist practice in the Soviet Union, Jameson accepts Daniel Bell's (1962) *The End of Ideology*, claiming Marxism to be

an unachievable ideology (2003): a pessimism of the intellect, and pessimism of the will, not seeing how successful struggles for public services can breed confidence and unity in the working-class.

The Labour Theory of Value and Public Services

Section 2.6 discussed Fisher and Fuchs (2015) showing how their neoliberal argument that service users and not providers (patients not doctors) create value—*audience labour*, has entered public service discourse via USA marketing neoliberal (Vargo and Lusch 2008). We find the audience labour argument repeated in public service logic (Osborne 2021) who in other respects is an advocate for public services and opponent of NPM. Audience labour undermines the status, contribution and rewarding of public services professionals.

As Wood (1986:9–10, 182–183) suggests in her withering criticism of post-Marxism, the turn away from organised labour as an agent of socialist transition ironically coincided with the ‘winter of discontent’ of 1978–1979 and the miner’s strike of 1984–1985, pivotal points in British history where the rhetoric of class struggle was used not just by organised labour and the left, but the Thatcher regime itself. The goal of rolling back the gains of labour was often voiced in direct terms by the right. Per Wood’s explanation, the discursive turn was stimulated by the setbacks in these working-class struggles, not to mention the academic allure of discourse theory.

Ecological Critique

Mészáros’ is a serious Marxist criticising (1995) the *unconstrained expansionism* of capitalism destroying the natural environment. He speaks of first and second-order mediations, arguing that environmental issues are now first-order and economic exploitation second-order alongside the nuclear family, monetary system, fetishised production, political domination of labour, war-like state formations and uncontrollable world markets. His case side-lines Marx’s central contradictions of private property, capitalist division of labour and exploitation. Mészáros neglects Marx’s point that it is the proletariat with power at the point of production that has the power to alter capitalist class domination. Foster’s (2022) notion of an *environmental proletariat* has the same problem, notwithstanding the place for environmental groups in an alliance for change led by socialists.

5.3.4 Democracy and Planning

Marx rejected Hegel’s ‘rights’ democracy and instead looked for a constitution that *limited and restrained the independent scope of the executive power*, including the election of all public officials *converting the state from an organ superimposed upon society into one completely subordinate to it* (Marx and Engels 1891:94). As Ehrenberg (1992) noted, Marx saw recall and annual election as bulwarks against the bureaucratisation, continually referring Hunt (1975:285) emphasises to context and culture, therefore anticipating diversity of structures and constitutions between

countries though as a dialectician Mostov (1989) argues, Marx saw unity in process and outcomes, privileging neither above the other. Dictatorship of the proletariat is legitimised as a means of abolishing class injustices, proletarians constituting the majority of society Avineri (1968) noted.

Marx regarded parliamentary, liberal democracy as a sham founded on private property and bourgeois rights arguing it resulted in passive citizens and rule by the rich. Instead, he favoured democratic processes reaching into workplaces, communities and national plans aimed at using technologies to create abundance and democratically deciding social needs. Keast and Denhardt and Kinder and Stenvall also point in this direction, insisting that democratising public services is an alternative to NPM, whereas coproduction has only limited relevance.

Releasing the potential of productive forces for Marx was a pre-condition of growing the social surplus and affording more leisure time and more collective public services meeting needs. Planning also makes visible relationships with nature allowing activities that take no more from nature than it can sustainably support (Foster 2022). In Marx's vision, expropriated capitalist production capacity would join public services in the planning process, both in the realm of mutuality. Integration of production process, ending wasteful competition, adopting technologies without giving rise to period crises—these are the benefits of a democratically socialist planned economy, in which there is no room for capitalism exploitation or oppression.

5.4 Conclusions

Transitions are central and Marx and Engels' work and public services are central to transitions. Our argument (LO-1) is that loss of public services, in the form of the commons and *moral economy* (village mutual support, religious institutions and sometimes Lords in times of crisis), was important in the transition from feudalism to capitalism.

We have seen that Marx and Engels had a lot to say about public services despite their near absence during their lifetime. They carefully supported public service reforms while opposing reformism, rejecting Hegel's reliance on state 'rights' and instead insisting on the working-class emancipating itself as active citizens. For Marx and Engels, dis-alienation and ending exploitation and oppression require changing the capitalism mode of production, creating common ownership. Marx's analysis of village democracy, coupled with central ownership of land and provision of public services led him to argue that the British model of industrial might not apply to an Asiatic mode of production, which could instead leapfrog (*revolution in permanence*) from feudalism to socialism. We summarised the historian debates around these issues.

A major contribution of this chapter is to argue that Vygotsky's (1934) social learning framework fills a gap in Marx's framework showing how social learning creates innovation and can build socialist consciousness. This is especially so in

democratic planning processes around public services, which act as a schoolroom for the socialist planned economy. In this sense, fighting for public services and their democratic planning is (as LO-2 suggests) part of a struggle for wider socialist change.

We note (LO-3) the potential barrier to industrial and spread of public services from premature servisation or Chang's (2005) taking away the development ladder (LO-3). This connects to the AMP, suggesting possible leapfrogging of a bourgeois-democratic phase of development in Asian, African and South American countries. Just as an alliance of friendly states can support socialist advance, we note the growth of imperialist alliances of unfriendly states aims to prevent the growth of public services and spread of socialism. As Engels commented, *they will use violence against us*. This underlines Marx's point that socialist transition must capture the bourgeois state and prepare to defend socialist gains establishing a dictatorship of the proletariat.

The chapter briefly criticised ex- and post-Marxist writers denying working-class agency and the LTV drawing attention to neoliberal audience labour ideas entering PM discourse via marketing theory. Mészáros' Marxist analysis of the ecological crisis is noted, however his idea (and Foster's) notion of an ecological proletariat as change agent is rejected except in the sense of joining an alliance led by the working-class at point of production. Altering the adjective does not alter the noun: removing capitalist exploitation requires the exercise of power at the points of production—the root cause of environmental degradation.

Finally, expanding public services greatly benefits working people, however, simply extending their scale and scope does not upset capitalist exploitation and their control of the state, for these to change a socialist revolution is necessary capturing the state and replacing it with democratic planning.

5.5 End of Section Reflection

Are you, the reader new to a Marxist perspective on public services, ask yourself, having read the first five chapters, what can you do now, that you could not do before? Do you have a new conceptual toolkit?

Public services = UV = PV = wealth that solves problems created and distributed by non-market means without money mediation: Does this perspective help clarify the nature of public services? Is the view that households, the 3S and some PPPs create UVs persuasive, are you ready for the following chapters unpacking this perspective?

Is that idea that value arises from human working on the free gifts of nature helpful in the next argument that the metabolic rift arising from unsustainable exploitation of nature by capitalism? Is conceptualising new public management as the instrument of neoliberalism in the public sector persuasive, to be countered by democratic planning and recognising that PV may now exceed private sector, for-profit EVs? Are PV and coproduction in conflict?

Can you see why Engels argued that dialectical process takes a similar form in both natural and social affairs? Is dialectical logic a tool usable in everyday problem-solving?

Is Marxism as a framework explaining social change relevant in your country and its public services? Can micro and macro problem-solving and change processes use similar explanatory tools? Does Vygotsky's social learning framework make sense, can it be applied to problem-solving in your workplace or service?

Given the centrality of transitions to Marxism, in your country can you connect improvement and expansion of public services with transition routes to socialism? How difficult is it to implement democratic planning of public services?

We turn now to four chapters on the ways in which public service UVs can be created: the welfare state, households, 3S and some PPPs.

References¹

- Acaroglu O (2019) Review of the transition from capitalism: Marxist perspectives [Homepage of Marx and philosophy review of books] [online], 04/05-last update. https://marxandphilosophy.org.uk/reviews/16747_the-transition-from-capitalism-Marxist-perspectives-by-rahnema-saeed-ed-reviewed-by-onur-acaroglu/. Accessed 07 May 2019
- Acaroglu O (2020) Rethinking Marxist approaches to transition. Brill, New York
- Adorno TW (1991) The culture industry: selected essays on mass culture. Routledge, London
- Arthur BW (2015) Complexity and the economy. Oxford University Press, Oxford
- Avineri S (1968) The social and political thought of Karl Marx. Cambridge University Press, Cambridge
- Balibar E (2015) Elements for a theory of transition. In: Reading capital: the complete edition. Verso, London
- Banaji J (2010) Theory as history. Haymarket Books, Chicago, IL
- Baudrillard J (1975) The mirror of production. Telos Press, St. Louis
- Baumol W (2012) The cost disease. Yale University Press, New Haven
- Bell D (1962) 2000 The end of ideology: on the exhaustion of political ideas in the fifties. Harvard University Press, London
- Benjamin W (1970/1955) (Arendt H Editor), illuminations, Bodley Head, London
- Bernstein E (1901) The Preconditions of Socialism
- Bhaskar R (1979) The possibility of naturalism. Harvest, Brighton
- Bloch M (1939) Marxism and anthropology. Oxford University Press, Oxford
- Bloch M (ed) (1975) Marxist analyses and social anthropology. Malaby Press, London
- Bloch E (1995) The principle of hope: vol 1. MIT Press, Cambridge, MA
- Boyer R (1990) Regulation theory. Macmillan, London
- Brugger B, Kelly D (1990) Chinese Marxism in the post-Mao era. Stanford University Press, Stanford, CA
- Bryson JM, Crosby BC, Bloomberg L (2013) Public value governance: moving beyond traditional public administration and the new public management. Public Adm Rev 74(4):445–456

¹ To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, Capital is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of Capital. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Burkitt P (2014) *Marx and Nature: A Red and Green Perspective*, Haymarket, Chicago
- Chang H-J (2005) *Kicking away the ladder: development strategy in historical perspective*. Anthem Press, London
- Cheng E, Wang G, Zhu K (2019a) The creation of value by living labour—a normative and empirical study, vol I. Canut, Berlin
- Cheng E, Wang G, Zhu K (2019b) The creation of value by living labour – a normative and empirical study, vol II. Canut International Publishers, Berlin
- Clark JG (2021) *The dissolution of the monasteries: a new history*. Yale University Press, New Haven
- Connolly J, Prothero A (2008) Green consumption: life-politics, risk and contradictions. *J Consum Cult* 8(1):117–145
- Dasgupta S, Singh A (2006) Manufacturing, services and premature deindustrialization in developing countries: a Kaldorian Analysis, UNU-WIDER, United Nations University Research Paper, No. 2006/49, 2006
- Denhardt RB, Denhardt JV (2000) The new public service: serving rather than steering. *Public Adm Rev* 60:6. <https://go-gale-com.libproxy.tuni.fi/ps/i.do?p=GBIB&u=tampere&id=GAL E%7CA67630649&v=2.1&it=r>. Accessed 02 Feb 2021
- Denhardt JV, Denhardt RB (2011) *The new public service: serving, Not steering*. Sharpe, Armonk, NY
- Denhardt JV, Denhardt RB (2015) The new public service revisited. *Public Adm Rev* 75(5):664–672
- Dobb M (1946) *Studies in the development of capitalism*. Routledge, London
- Dudley W (2003) Impure reason: Hegel on the irrationality and rational. *Owl Minerva* 35(1):25–26
- Ehrenberg ASC (1992) Theory or well-based results; which comes first? In: *Research traditions in marketing*. Springer, pp 79–131
- Ellner S (2021) *Latin American extractivism*. Rowman & Littlefield, London
- Engels F (1884/2007) The Part Played by Labour in the Transition from Ape to Man, in *The Origin of the Family, Private Property and the State*. International Publishers, New York City, pp 260–261
- Engels F (1895) *Dialectics of Nature* (accessed 201031) available at <https://www.marxists.org/archive/marx/works/download/pdf/dialecticsnature.pdf>
- Erfurt (1891) Engels critique of Erfurt Programme of SDP. <https://marxists.architexturez.net/archive/marx/works/1891/06/29.htm>
- Fisher E, Fuchs C (eds) (2015) *Reconsidering value and labour in the digital age*. Macmillan, London
- Foster JB (2022) Nature as a mode of accumulation—capitalism and the financialisation of the earth. *Mon Rev* 73(10):1–24
- Fujiwara I, Matsuyama K (2022) A technology-gap model of premature deindustrialization. STEG Working Paper Series
- Gotha (1875) Marx Critique of Gotha Programme of SDP. <https://www.marxists.org/archive/marx/works/1875/gotha/>
- Gould CC (1978) *Marx's social ontology*. MIT Press, Cambridge, MA
- Grabler D (2013) *Debt: the first 5,000 years*. Melville House, London
- Grilliches Z (1992) The search for R&D spillovers. *Scand J Econ* 94:29–47
- Habermas J (1986) *The theory of communicative action: Volume 1: Reason and the rationalisation of society*. Polity Press, Cambridge, MA
- Habermas J (1987) *The theory of communicative action, vol 2*. Bacon Press, Boston, MA
- Hauser GA (1998) *Civil society and the principle of the public sphere*. *Philos Rhetor* 1:31(1):19–40
- Hall PA, Soskice D (eds) (2001) *Varieties of capitalism*. OUP, Oxford
- Hampshire S (1960) *Spinoza and the idea of freedom*. OUP, Oxford
- Hanke L (1949) *The Spanish struggle for justice in the conquest of America*. University of Pennsylvania Press, Philadelphia
- Harris M (1968) *The rise of anthropological theory*. Crowell, New York
- Harvey D (2000) *Spaces of hope*. Edinburgh University Press, Edinburgh
- Hatcher J, Bailey M (2001) *Modelling the middle ages*. Oxford University Press, Oxford

- Hill C (1975) *The world turned upside down—radical ideas during the English revolution*. Penguin, London
- Hilton R (1976) Feudalism and the origins of capitalism. *Hist Work J* 1(1):9–25
- Hobsbawm EJ (1952) The machine breakers. *Past Present* 1:57–70
- Holloway J (2002a) *Change the world without taking power*. Pluto Press, London
- Holloway J (2002b) Zapatismo and the social sciences. *Cap Class* 26(3):153–160
- Horkheimer M, Adorno TW (1972) *Dialectic of enlightenment*. (J. Cumming, Trans.). Herder & Herder, New York
- Hunt R (1975) *The Political Ideas of Marx and Engels*. Vol 1: Marxism and Totalitarian Democracy 1818–50, Macmillan, London
- Ilyenkov E (2020) *Intelligent materialism—essays on Hegel and dialectics*. Haymarket, Chicago, IL
- Jameson F (1996) Walter Benjamin. In: Hindle J (ed) *London review of books: an anthology*. Verso, London
- Jeffries S (2016) *Grand hotel abyss: the lives of the Frankfurt School*. Verso, London
- Kain P (1980) Marx's dialectic method. *Hist Theory* 19(3):294–312
- Kaivo-Oja J, Kinder T, Stenvall J (2024) Key trends ff tangible and intangible products in public sector production in some OECD countries: intangibility and the obfuscation of public service productivity. *J Econ Cult* (forthcoming)
- Kaldor N (2005) *Advancing corporate capitalism in Hungary*. Edward Elgar, London
- Kaldor M (2006) *Human security*. Polity, Cambridge
- Kautsky K (1909) *Democracy and republicanism*. Brill, 2019
- Keast R (2003) *Integrated public services: the role of networked arrangements*, PhD Thesis, Queensland University of Technology, (available at and accessed 030223) <http://www.network-sandcollaborations.com.au/files/Integrated%20Public%20Services%20%20-%20Robyn%20Keast.pdf>. London, Chapter-10
- Keast R (2021) Engaging citizens, clients, and communities for policy and service delivery, Chapter 10. In: Hildreth WB, Miller GJ, Lindquist EA (eds) *Handbook of public administration*, 4th edn. Routledge, London
- Keast R, Mandell, Agranoff R (2014) *Network theory in the public sector*. Routledge, London
- Kelton S (2020) *The deficit myth—modern monetary theory and how to build a better economy*. John Murray, London
- Kinder T, Stenvall J, Talonen A (2022) Logics and agency in public management research. *Pub Org Rev*. <https://doi.org/10.1007/s11115-021-00576-8>
- Laclau E (1971) *Politics and ideology in Marxist theory*. New Left Books, London
- Laclau E, Mouffe C (1985) *Hegemony and socialist strategy: towards a radical democratic politics*. Verso, London
- Levins R, Lewontin R (2009) *The dialectical biologist*. Aakar Books, Delhi
- Levitas R (1990) Educated hope: Ernst Bloch on abstract and concrete utopia. *Utop Stud* 1(2):13–26
- Levitas R (2013) *Utopia as method: the imaginary reconstitution of society*. Palgrave Macmillan, Basingstoke, UK
- Lukács G (1978) *The ontology of social being*. Merlin Press, London
- Luxemburg R (1900/1982) *Reform or revolution*. Militant Books, London
- Marable M (1993) *How capitalism underdeveloped black America*. Haymarket, Chicago, IL
- Marx H (1943/1964) *Reason and revolution*. Oxford University Press, Oxford
- Marx K (1844) On the Jewish Question, (accessed 201031) available at <https://www.marxists.org/archive/marx/works/1844/jewish-question/index.htm>
- Marx K (1973) *The Grundrisse* (Ed. and trans. D. McLellan). Harper Torchbacks, New York
- Marx K, Engels F (1891) *The First Indian War of Independence: 1857–1859*. Progress, Moscow
- Mattei CE (1922) *The capital order—how economists invented austerity and paved the way to fascism*. University of Chicago Press, Chicago, IL
- Mazzucato M (2015) *The entrepreneurial state: debunking public vs. private sector myths*. Anthem Press, London

- Melucci A (1996) *Challenging codes. Collective action in the information age*. Cambridge University Press, Cambridge
- Mészáros I (1995) *Beyond capital—towards a theory of transition*. Merlin Press, London
- Mostov J (1989) Karl Marx as democratic theorist. *Polity* 22(2):195–212
- Osborne SP (2021) *Public service logic*. Routledge, London
- ÓUallacháin (1989) Agglomeration of services in American Metropolises. *Growth Chang* 20:34–49
- Oizerman TI (1981) *The making of the Marxist philosophy*. Progress Publishers, Moscow
- Ollman B (2003) *Dance of the dialectic*. University of Illinois, Chicago, IL
- Parekh B (1982) *Marx's theory of ideology*. Johns Hopkins University, Baltimore
- Polanyi M (1944) *The great transformation*. Farrar & Rinehart, London
- Pope PE (2004) *Fish into wine: the newfoundland plantation in the seventeenth century*. Omohundro Institute of Early American History and Culture, Williamsburg, Virginia
- Poulantzas N (1973) *Political power and social classes*. Sheed & Ward and New Left Books, London
- Preobrazhensky E (1926 (1965)) *The new economics*, 2nd edn. Clarendon Press, Oxford
- Prigogine I (1993) *Order out of chaos: man's new dialogue with nature*. Flamingo, New York
- Prigogine I, Stengers I (1985) *Order of out chaos: man's new dialogue with nature*. Fontana, London
- Rahnema S (ed) (2017) *The transition from capitalism: Marxist perspectives*. Palgrave, London
- Rapport MD, Alderson RM, Kofler MJ, Sarver DE, Bolden J, Sims V (2008) Working memory deficits in boys with attention-deficit/hyperactivity disorder (ADHD): the contribution of central executive and subsystem processes. *J Abnorm Child Psychol* 36:825–837
- Resnick S, Wolf D (1992) Everythingism, or better still, overdetermination. *New Left Review*, p 195
- Ringeling A (2017) *Public administration as a study of the public sphere*. Eleven International, Hague
- Roberts J, Martin J (2018) *Permanent revolution in Latin America, Cuba, Nicaragua Venezuela*. Wellred Books, London
- Rodrik D (2013) *Economics rules—why economics works, when it fails and how to tell the difference*. Oxford University Press, Oxford
- Rodrik D (2017) *Straight talk on trade – ideas for a sane world economy*. Princeton University Press, Princeton, MA
- Rodney W (1972) *How Europe underdeveloped Africa*. Verso, London
- Roos JE (2019) *Why not default? The political economy of sovereign debt*. Princeton University Press, Princeton, NJ
- Roy T (2022) *The economic history of India 1857–2010*. Oxford University Press, Oxford
- Sainsbury RM (2009) *Paradoxes*. Cambridge University Press, Cambridge
- Sassen S (2015) *Losing control? Sovereignty in an age of globalisation*. Columbia University Press, New York
- Schafran A, McDonald C, Morales EL, Akyelken N, Acuto M (2017) Replacing the services sector and three-sector theory: urbanization and control as economic sectors. *Reg Stud* 52:12. <https://doi.org/10.1080/00343404.2018.1464136>
- Smith A (1970 (1776)) *The wealth of nations*. Penguin, London
- Streeck W (2017) *How will capitalism end? Essays on a failing system*. Verso, London
- Sweezy PM (1945) *Theory of capital development*. NYU Press, New York
- Thompson M (1979) *Rubbish theory—the creation and destruction of value*. Pluto Press, London
- Toscano A (2014) Transition deprogrammed. *South Atl Q* 113:4
- Vargo SL, Lusch RF (2008) Service-dominant logic: continuing the evolution. *J Acad Mark* 36:1–10
- Vigoda E (2002) From responsiveness to collaboration: governance, citizens and the next generation of public administration. *Pub Adm Rev* 62(5):527–540
- Vollrath D (2020) *Fully grown: why a stagnant economy is a sign of success*. University of Chicago Press, Chicago, IL
- Vygotsky LS (1934 (1987)) *The collected works of L. S. Vygotsky: Vol. 1, Problems of general psychology*. Springer, Plenum, NY

- Weber M (1979/1921) *Economy and society: an outline of interpretive sociology*, Chapter XI, vol 2. University of California Press, Berkeley, CA
- Whitehead AN (1929) 1978 *Process and reality: an essay in cosmology*. Free Press, New York
- Williams E (1943) *Capitalism and slavery*. The University of North Carolina Press, Chapel Hill
- Wittfogel K (1957) *Oriental despotism*. New Haven, NJ
- Wolf ER (1969) *Peasant wars of the twentieth century*. Harper & Row, London
- Wood EM (1986) *The retreat from class: a new true socialism*. Verso, London
- Wood EM (1995) *Democracy against capitalism—renewing historical materialism*. Verso, London
- Wood EM (1999) *The origin of capitalism—a longer view*. Monthly Review Press, New York
- Wright I (2016) *The social architecture of capitalism*. Available at (accessed 090324) <https://sites.google.com/site/sites/system/errors/WebSpaceNotFound?path=%2Fianwrightoxford%2F>
- Zasulich (1880) Shanin T, 2018, 1881 Letters of Vera Zasulich and Karl Marx. *J Peasant Stud* 45(7):1183–1202

Chapter 6

The State and Public Services: The Welfare State



Abstract This is the first of five exploring public services strategically and begins by analysing the changing nature of the welfare state: the state as value creating, the state as value distributing—a battle for reforms; the state as the executive committee of the ruling class and the state and public value (PV) production and distribution. Under each heading, key ideas from research and bourgeois theory are criticised from a Marxist viewpoint and the relevance of ideas and policies to developing countries pointed out, contrasting welfare states in Africa, Asia and Nordic countries. From a Marxist value-flow perspective, new public management is critiqued with issues of inequality and responsibility considered.

Chapters 6–10 examine how public services are *strategically* evolving in today's world, followed by Chaps. 11–15 which examine in closer detail specific services leaving Marx and Engels texts, to applying their concepts and frameworks to public services today. We visit the providers on non-market use-values (UVs) covering the neoliberal state (Chap. 7), households and families (Chap. 8), the third-sector (Chap. 9) and public–private partnerships (PPPs, Chap. 10). This chapter analyses the welfare state.

6.1 The State and the Welfare State: Introduction and Structure

Public services are a major part of the interaction between the state, value creation and distribution: between the relations of production and relations of reproduction. This includes changing sub- and superstructural relations—the state's role in distributing and in creating value. In its mediating role between capital and labour, the state is a battlefield, especially around the scale and scope of welfare (transfer payments) and public services desired by the working-class resisted capitalism. Like Altwater (1973, 2007) and Yaffe (1973a, b), the analysis here rejects functionalist argument such as the state must do this to avoid that and instead we focus on value-flows and the struggles around them as mediated by welfare states over a range of levels of development.

Marx made many scientific great discoveries such as the nature of the commodity and the causes of capitalist crises. He was the first to theorise the dialectical interrelationship between the social relations of production and the social relations of reproduction including class conflict within production and within reproduction. Understanding why capitalism causes and manages class conflicts draws attention to the state, that often mediates conflict for example by shaping culture and media, regulating families and living standards, prescribing education; in sum, composing ruling ideas.

From a value perspective, the basic role of the state Engels says is protecting private property. Lenin emphasises control (*judges, prisons and bands of armed men*) made visible in the fascist state, while Gramsci draws attention to culture and hegemonic ideas. Since 1945 in developed countries, Marxists such as Bernstein (2000) profile how the welfare state (the subject of this chapter) can induce compliance by shaping and reshaping social relations of reproduction.

Structured in four sections (state as value creating, as a distribution battlefield, as executive of the ruling class and as public value creator) this chapter firstly summarises previous research and then outlines the Marxist perspective. In doing so, it summarises the welfare states in Asia, Africa and the Nordic countries.

Learning Objectives

The concepts *state* and *welfare* are contested, and welfare state services often come from various layers of government creating complexity. Welfare services (as part of relations of reproduction) are influenced levels of economic development the production sphere, though not deterministically. This chapter has four learning objectives.

LO-6.1: State as value creating

Continuing to conceptualise non-market use-values (UVs) as wealth that solves citizens' problems, the chapter considers the state's direct role in value creation citing Mazzucato (2013) and its indirect role as supporting social relations of reproduction and value creation. The big picture here is the state using value creation in its role mediating between the needs of production and reproduction. Expanding UV creation and distribution reduces the areas in which capital can engage in for-profit activity, hence the attack of the welfare state by neoliberalism, using new public management (NPM) instruments.

LO-6.2: State as value distribution battlefield battle for reforms

Although the state is an instrument of the bourgeoisie, working-class strength creates a battlefield over reforms, especially in areas of welfare and especially at local level where many services are delivered. Chapter 18 explores the theory of reformism and struggles for reforms. Here we consider the extent to which the state is redistributive, briefly examining how the Asian, African and Nordic welfare states are constituted.

LO-6.3: State as executive committee of ruling class

As an instrument of the capitalist class, the state wields political power, portraying itself ideologically as a neutral arbiter between classes. We explore, in relation to public services, when and how this power is exercised.

LO-2.4: State and public value production and distribution

From the perspective of public value (PV), the state's role is economically significant and central to the lives of citizen who depend on public services. The neoliberal state (theoretically discussed in Chap. 7) uses NPM instruments to migrate capitalist disciplines into state activities or remove assets and functions from the public into the private sector. We discuss NPM and the alternatives prominent in public management discourse.

6.2 What Do We Know?

Following a summary of research on the welfare state, the chapter then considers Marxist perspectives.

6.2.1 *State as Value Creating*

The State: An Overview

The state mediates between social relations of production and reproduction. This mediation is normally on behalf of the ruling class: the state is their instrument tasked as Engels (1895) notes with defending private property against the working-class and other states (the *business of war*). Drawing on Locke's (1689) *possessive individualism*, MacPherson (1962) says the state defends private property by regulating markets and overseeing contract compliance, points echoed by Smith (1776) and Mill (1872), with liberals such as Pigou (1920) emphasising policing of natural environment externalities. Marx (1971, *Civil War in France*) notes that capturing control of the state is a necessary step in abolishing private property. Although only lasting 73 days, the 1871 Paris Commune persuaded Marx that socialists cannot simply take over the bourgeoisie state machine: new worker's democratic structures at the point of production, in communities, and at national level, are necessary for rational planning of production. Lenin (*State and Revolution*) theorised that only following early- and late-socialism, in a communist abundance period will the state wither away.

As products and production embed more knowledge, capitalism needs a healthier more educated workforce, requiring state provided public services. Boyer (1990) argues that unless these services align production and reproduction capitalism falters. Public services can have the political effect of disarming sections of the working-class into believing that state operates in their interests, especially so if a strong working-class can extract public service concessions from capitalism.

Theorising the State

The left in Europe has struggled to reconcile theory and practice of the state variously emphasising the structure, functions or people constituting the capitalist state. Miliband (2009) took the view that an elite, connecting with capitalist enterprises and institutions, controls the state, a position later supported by other revisionist Marxists including Lebowitz (2003, 2010) and Laclau and Mouffe (1985). This view was criticised as economistic by Poulantzas (1969, 1972), who views the state as both objectively supporting capitalism in its actions (whoever controls it), while at the same time, in Gramsci's (Thomas 2024) terms pretending to be neutral to gain the support of the working-class. Poulantzas' (1975, 1976) position also rejected Althusser's (2014) functionalist view of the state primarily as a capitalist structure (ignoring different blocs within the state such as industrial and finance capital) and belittling the state's role in creating cultural norms. Clark et al. (1981) criticism of Poulantzas as bourgeois sociology is unconvincing, especially when read in conjunction with Wood's (2003) historical view of the state's evolution and Poulantzas' (1974) analysis of the fascist state as violent repression of workers' defensive organisation to aid capitalist accumulation. Guérin (1973) historicises the fascist state emphasising the use of naked coercion in the interests of big business.

Most of these debates refer largely to the capitalist state in Europe. Mészáros (1970), from an internationalist perspective on the state, notes that only by a consciously mobilised working-class can the state be overthrown to socialise private property (*closing the circle*), otherwise the state cannot act in any way other than in the interests of capital, protecting private property and supporting profit-making. Mészáros cites the continuous interventions by the USA state in South American states as examples. Though in some periods providing welfare services, Mészáros (2022) notes these can be withdrawn if in the interests of capital, saying (1971) that the state dynamically responds to changing relations of reproduction as a critical part of relations of production. His analysis opens the way to understanding the different forms the capitalist state takes, for example in Europe, Africa and Asia and to the activities of neoliberalism dismantling welfare as their profit rates tumble. Thus, the state is a battleground for who benefits from the social surplus. Poulantzas and Mészáros see that only a conscious *for-itself* working-class can capture and then smash the state, other researchers fall short of these fundamental insights.

Hall and Soskice's (2001) *varieties of capitalism* distinguish *liberal* and *non-liberal capitalism* highlighting degrees of democratic freedom which for Streeck and Yamamura (2001) dictate how socialists can organise and propagandise. A large body of work around Regulation Theory (Aglietta 1979; Barnes and Gertler 1999) focuses not on capitalist crisis but upon why capitalism can enjoy periods of growth arguing that synchronisation between mode of production and regime of accumulation explains growth. Research in Scotland with Molina (1999a, b), Molina and Kinder (2000, 2001) applies some of these concepts, noting that the scale and scope of public services is always influenced by class struggle. As Marx and Engels emphasised, crisis is only a political opportunity for working-class progress not assured change. Lenin says there is always a way out of crisis for capitalism if the

working-class is prepared to pay the price (in today's terms of austerity and lowered living standards).

Value Production, the State and Social Reproduction

Social Reproduction Theory (SRT, Bhattacharya 2017) focuses on social reproduction as a necessary condition for capitalist accumulation drawing attention to oppression within these social arrangements based on racism (Davis 1981) or misogyny (Vogel 1983; Brenner 2000; Ferguson 2016). Some of these theorists argue that undermining oppression is a strategic way of ending capitalism. McGregor (2018) provides an overview.

Socialists can never be reminded too often that capitalism divides the working-class using race and gender and that liberation from all alienating oppression must be central to socialist activity. However, as Fine (2017) points out, when reintegrating oppression into a Marxist theory of crisis, many SRT can mistakenly adopt Luxemburg's under-consumptionism and voluntarism (also a criticism of Lebowitz 2003).

Chapters 15 and 16 on gender and race consider issues of recognition and the role of special interest group in struggles, concluding that the root causes of oppression lie in private property used for exploitation, a fight requiring working-class socialist leadership. We therefore reject arguments such as Laclau and Mouffe (1985) and Gortz (2001, 2010) and that a fragmented working-class is no longer the agent for socialist change, though socio-economic changes do present new challenges in welding together class alliances capable of overturning capitalism. It was always the case the working-class required allies to achieve socialist change, what has altered is the nature of these allies to now include activists from women's, anti-racist and environmental movements. Designating aspects of anti-capitalist struggle, such as Foster and Burkett (2018) *racial capitalism* are USA-centric, talk of an ecological-working-class too is a special case; socialists are tasked with uniting the working-class—expanding the notion of socialism to appeal to black workers and eco-socialists. Since Marx's day, as Jakubowski (1990) pointed out, a major change in European countries has been the strengthening of bourgeois ideology (capitalism as naturalistic) and the illusions many workers have in reformist parties.

Theorists such as North (1990) subsume Marx's insights into institutional theory: the idea that (in)-appropriate institutions explain economic growth or stagnation. An advantage of this approach is emphasising context and culture as explaining social activity. Ellner's (2021) framing of imperialism in South America as extractivism (which could equally apply in Kazakhstan, Hiro 1994) similarly sublates class beneath a particular mode of exploitation. Class conflict as a motor of change can be lost or in the case of North rejected.

The Welfare State

Esping-Andersen's (1990) categorisation of welfare states, criticised by Bamba (2007) as euro-centric, is used here since it appears so widely in the literature. Thus, we speak of (a) Nordic welfare state referring to cradle-to-grave extensive range of welfare public services, funded by high levels of tax; Finland, Sweden and Norway being examples. Mixed economy, (b) examples includes Germany, Netherlands and

the UK, meaning that of a wide welfare and public services, some are paid and others free on demand. In voluntarist welfare models (c) the balance is in favour of paid-for services or services provided by families and the 3S, Spain and Italy being European examples. Each of these models of welfare state currently offer some welfare services using public–private partnering (PPP) joint-ventures. The balance between national and local services varies between states, typically in Europe national Government provides State Benefits (transfer payments such as pensions and unemployment benefits), and local Government offers services such as health, education and care services.

6.2.2 *State as Value Distribution Battlefield*

To support more knowledge-based production, and partly in response to the perceived Soviet alternative and growing working-class pressure, Europe states after 1945 became a battlefield for how extensive the welfare state should become: its scope and fundamentally, how much of the social surplus would go from capitalists to the working-class. Acemoglu (2013) and Piketty (2013, 2020) detail positive value-flows from capital to labour between around 1945 and 1973, following which neoliberalism grew in strength dismantling welfare (see Chap. 7), while Roberts (2021) shows rates of profit peaked in 1997.

As Engels (*Origins*) notes, the state is not the rational creation supposed by Hegel, the state is a creation when *society has become entangled in an insoluble contradiction with itself, that it has split into irreconcilable antagonisms which it is powerless to dispel* (MECW-26). It is a battlefield economically for shares of the social surplus and for political power, culture and legitimated ways of conducting social life. There is no *national interest*, there are class interests that transgress borders. In different socio-economic circumstances, the capitalism class can accommodate the Nordic welfare states of today or the fascist states of Japan, Germany, Italy and Spain of the 1930s.

The Welfare Battlefield

Dialectical analyses have the advantage of allowing multiple perspectives with interpenetrating levels, including conflict and contradictions. These are easily seen when viewing the state as a battlefield with neoliberalism advocating a low-tax, small state and deregulated business environment, while working-class organisations fight for an enlarged state, expanded mutuality sector creating and distributing UVs based on need not private capital accumulation. From this perspective, social conflict centres around how a social surplus is created and distributed, to whom and using what principles. These conflicts are not simple: some capitalists urge greater social spending on training or childcare, while some trade unions prefer wage rises for some against welfare benefits for all.

Since welfare services such as health and education are delivered at a local level, localism and local governance arrangements become part of the state battleground,

with local activists and services providers either meekly taking dictates from the national state or alternatively using the local state to demonstrate what progress is possible as a way of changing consciousness and marshalling resistance to capitalism's use of the national state. Castells et al. (2017), Lefebvre (2020) and Harvey (2003a, b, 2007) draw attention to the local state as an experimental zone and point of conflict.

Welfare Challenged

The big picture of western capitalism is of a boom and rising profits from about 1945 to 1973, after which Marx's law of the tendency for a falling rate of profit became operative, as Roberts (2009) explains, giving rise to neoliberal economics undermining Keynesian state management. Increasingly since around 1973, neoliberals have fought to reduce taxes and the welfare state using international organisations which via the USA they control: the World Bank (WB), International Monetary Fund (IMF) and World Trade Organisation (WTO). Often the G-7 group of leading capitalist states (act as though they are a world Government (USA, Canada, France, Germany, Italy, Japan and UK). Although only 10% of global population, the G-7 creates US\$ 200-trillion GDP, about a third of the total, almost the same as the BRICS countries (Brasil, Russia, India, China and South Africa) none of which are G-7 members.

Box

Japan and South Korea's GDP flourished after 1945, the result of USA investment, technology transfer at time of open international markets, entry into developed markets for exports, and acceptance of USA hegemony. Public services remain poor quality in both countries, for example OECD (2023) says both have half pensioners (over-65s) living in poverty, the OECD highest.

China's case differs: He (2019) says Sinicization, (following a brief period of technology transfer from the Soviets), socialism with Chinese characteristics (SWCC) has meant expansion of welfare and public services *following* economic growth coupled with heavy investment in knowledge base and emergent technologies (the Socialist market economy of the new era). As Cheng (2019) notes, Chinese democracy and planning guided inward investors and the country enjoys stability with a supported leadership. There is no pensioner poverty and public services are rapidly expanding.

A major contradiction in capitalism is that the interests of society (social reproduction) differ from capitalism's social production. Covid illustrated this vividly, by the production of vaccines and their distribution in rich countries with many poorer countries remaining unvaccinated - death visiting children in poorer countries for want of healthcare a more even distribution of wealth could easily afford. Jessop's (2002) *hollowing-out* of the welfare state.

An Asian Welfare State?

While Midgley (1986) noted the reluctance to promote welfare states in Asia, for Jones (1993) there is a distinguishable Asian welfare state based on Confucian values—state welfare following state development and economic growth. As Tang (2000) explains welfare mirrors, but trails, the needs for capitalism for a healthier and better educated workforce. Holliday (2005, 2016) pointed to a bias in favour of rights and benefits relating to work, what Rieger and Leibfried (2003) term a *Confucian welfare state* meaning that non-work-related benefits (retirement disability and childcare) remain the preserve of the family. Holliday (2016) calls this a productivist model, in (2005) pointing to the narrow range of benefits and cutbacks following the 1998 Asian financial crisis.

For Aspalter (2006) a problem with these analyses is the assumption that all Asia is the same and belittling of working-class pressure for welfare, successful even in liberal and development state regimes. Kim and Shi (2013) note the pervasive aspiration for wider European welfare across Asia, and Kaufmann (2013) correlates rising welfare spend with GDP growth. Chapters 19 and 20 discuss the Chinese socialism with Chinese characteristics (SWCC) in more depth. Here we can note the greater breadth of welfare in China than found in the Asian model and the steady growth in transfer payments such as pensions and unemployment and disability benefits. Chinese welfare shows no sign of the tensions between health and finance ministries that Takegawa suggests characterising Japanese capitalism. Recent work by Saengtabtim et al. (2023) following Covid establishing that most Asian states learned from Severe acute respiratory syndrome, SARs (Yuen et al. 2021; Calcaterra et al. 2022) and had built up the welfare capacity to avoid the mass deaths seen (for example) in the USA, though Chalise (2020) and Askitas et al. (2021) found poorer states (they example India, Pakistan and Bangladesh) had less capacity including data, leading to infected people returning to their home villages.

To summarise, there is a discernible Asian welfare state: China has a socialist strategy offering broad (non-work benefits) and some countries remain economically incapable of offering welfare, however, east-Asian state welfare appears to follow a Confucian model, leaving non-work services to families. Where the working-class is strong (China) benefits are greatest as in Europe with the USA as a counterexample. Esping-Andersen's worlds of welfare model is restricted to the European world.

An African Welfare State?

While there is no pan-African welfare state a distinctive feature is emphasis on workfare rather than wealth redistribution, coupled with support from families for older or sick members. Another characteristic is using welfare (education, infrastructure and housing) to demonstrate the legitimacy of post-colonial governance (Niño-Zarazúa et al. 2012). Mostly unemployment benefits are workfare related (conditional on job-searching). Across Africa, class alliances vary (most clearly seen in the northern countries) shaping welfare regimes. While Esping-Andersen's (1990, 1999) typology finds little resonance in Africa, her conclusion rings true that welfare states vary across multiple dimensions and not only amount of spending

(Van Kersbergen 2003). South Africa inherited racist welfare (Seekings 2007) now dismantled, however, the country struggles to achieve the productivity need to fund wide ranging welfare resorting to unpopular tax levels. Tanzania, Kenya and Senegal offer a low level of transfer payments to struggling families, in Tanzania's case conditional on children attending school and for Kenya to the many orphans resulting from AIDS.

Contrasting Botswana's conservative welfare with the MENA (middle-east, north-African) states is instructive on how class alliances influence African welfare. As Seekings (2019) notes, Botswana lacks Mauritius' urban and plantation working-class and offers food subsidies targeted at peasants and (for example) droughts (Holm and Morgan 1985), still presuming that families will care for the elderly (Good et al. 2016), while emphasising workfare pressures as condition of unemployment benefits (Bar-On 2001). Although prospering economically (diamonds and minerals) spending is on education rather than social welfare. Botswana has rejected the model of widespread welfare for state-building, seen in its southern African neighbours.

To the north, a third of Egypt's spending goes on welfare to the urban working-class, not a leftist move as Aclimandos (2001) points out, more cementing a military-worker alliance, despite IMF pressures to reduce spending (Mohi El Din 1995). This model harks back to the class alliance built by Nasser (Baker 1978; Abdel-Fadil 1980; Craissati 1989), reflecting the downward pressures on wages (Karger 1996) and falling in-work living standards. Thus, while Botswana's welfare reflects the political sway of peasants, Egypt's mirrors an in-work urban working-class, without the family support still evidenced in its southern African neighbour. Where the working-class is more powerful, for example Algeria (Zitouni 2004) and Tunisia (Catusse and Karam 2009; Erdle 2010; Lucas et al. 2016) welfare benefits widen into medical care. Morocco and Jordan appear economically unable to afford above minimal welfare.

There is then no pan-African welfare state nor use of welfare in post-colonial state-building. Where the working-class is strong, welfare is greater, where weak (sometimes despite prosperity) welfare is weakest: in all cases, unemployment benefits are conditional on workfare. Especially in southern Africa, welfare continues to acknowledge the role of the family in providing welfare. Franc African countries (six in central Africa and eight in west Africa) peg with the Euro limiting their ability to borrow and effectively allowing the neoliberal European Central Bank to dictate monetary policy, including low levels of state expenditure on welfare.

The Nordic Welfare State

Cradle-to-grave Nordic welfare comes at the cost of high tax rates; tripartite institutions involving Trade Unions and community organisations in state and industry decisions. Its roots according to Petersen (2004) lie in a challenging climate encouraging cooperation and (Weber 1921) Lutheran principles of equality, work ethic and piety. Niinivaara (1952) mentions *love of neighbour*, the importance of family bonding, and Markkola (2014) socially conscious *church-people*. Post-1945 social democratic governments extended welfare in step with flourishing Nordic

economies and in opposition to Russian neighbours. As Helkama and Portman (2019) note, widely scoped welfare presumes trust and responsibility, the social shaming of welfare abusers. Icons, such as Finnish Väinö Linna's *the Unknown Soldier* struggling against adversity in support of others, along with corporatist Trade Union engagement with Government and employers, unite people who take pride in their welfare state. Finnish transfer payments are not especially generous, it is the scope of welfare that distinguishes Nordic from 'mixed economy'. Critiques include Norman's (2018) exposure of Swedish social Darwinism involvement in what others would see as personal matters (Kaufmann 2013). Nordic welfare presumes citizens acting responsibly; for example, parental involvement in their children's education, acting on preventative healthcare advice. Nordic welfare is currently embattled as neoliberals seek to roll back the state and working-class organisations instead favour new service models and modernisation. Castells and Himanen (2002) note that high-tax, large states result in high economic performance contesting the low-tax Washington Consensus.

Summary: The State as a Battlefield

Whilst it is meaningful to speak of Nordic welfare, African welfare is too diverse to hold water and Asian welfare only has meaning for emphasising services as opposed to transfer payments and only tailing economic growth. Nordic and Asian welfare are corporatist with Trade Unions playing important roles in shaping welfare and shaming abuse. From a socialist perspective, welfare states give rise to the contradiction that the stronger working-class organisations exist to exact welfare reforms, the greater the illusions in reformism as addressing social issues rather than fundamental socialist change. Important contradictions include (a) advanced production requires a more educated working-class, more capable of anti-capitalism consciousness; and (b) as production adopts socialise structures and processes, the redundancy of the capitalism class becomes more visible.

6.2.3 State as Executive Committee of Ruling Class

Scott's (1999) *Seeing Like a State* shows how maps, signs, in addition to stories, histories can amount to (Gramsci's term) hegemonic blocs justifying capitalism. As Goffman (1959) noted, self-identity includes rejection of the 'others' identity. Western Governments 'otherise' China and socialist states. Harvey's (2003a, b), *accumulation by dispossession*, grabbing land, creating landless internal refugees, can be a stark example, as Bunker (1985) illustrates in relation to the Amazon.

This chapter follows Lukes (1974) noting the different forms of power (authority, coercion, i.e. power to as opposed to power over) states possess and their use of 'soft' and 'hard' power in defence of and to promote and support capitalism. As rational argument points to the irrationality of capitalism, in areas such as the environment, wealth distribution, issues such as 'human rights' to Covid vaccinations, public services push against uncontrolled capitalist state, extending the area of

public service mutuality as being rational and justified. It is at this point that the capitalist state is most dangerous. As Hungary and Poland 1919, Italy 1923, Germany 1933, Spain 1939, Argentina 1974, South Africa, when cornered, rather than concede power, the capitalist state reverts to the open use of violence to protect capitalism (the definition of fascism).

Another perspective on the state arose from Marx's study of the 1789 French Revolution, the European revolutions of 1848 and most importantly the 73-day Paris Commune of 1871. He concluded that the state exists to support capitalism and defend its interests as the *executive committee of the ruling class*. Lenin developed this analysis arguing with Marx that simply taking over the state machine (*prisons, judges and bands of armed men*) would not build socialism, once working-class Government is established, the state machine should be smashed and replaced by community and workplace level democratic bodies able to plan the economy and work towards communist abundance. Here we note that Lenin's analysis related to Russia's small working-class (albeit with a Bolshevik majority, also in the army) and the absence of the mass reformist organisations found in western Europe. Based on Gramsci's work (1971, a prisoner of the Italian fascist Mussolini), from the 1980s onwards, socialists took a *cultural turn* (Bernstein 2000) seeing the state as building soft-power hegemonic blocs using cultural morès, what Bourdieu (1984) termed habituses. These are concepts, frameworks, metaphors, ways-of-working and ethical preferences promoted by the state that add up to justifying capitalism. Scott's (1999) *Seeing Like a State* shows how maps, signs, in addition to stories, histories can amount to (Gramsci's term) hegemonic blocs justifying and naturalising capitalism. Throughout this book, class struggle is emphasised and structural explanations of capitalism rejected, this includes the dismissal of class conflict as the motor of history by Laclau and Mouffe. In these critiques, we follow Wood (1999).

6.2.4 State and Public Value Production and Distribution

Turning to the state's role in public value production and distribution, this section considers NPM as the instrument neoliberals seek to impose on public services (the main discussion on neoliberalism is reserved for Chap. 7), then comments briefly on the alternatives: new public governance (NPG), our PV as UVs alternative to NPM and Osborne's (2021) public service logic (PSL) and value-destruction. Chapter 16 discusses Hegelian recognition and identity politics. This section explores recognition from the viewpoint of welfare services.

The Neoliberal State and Public Services

The state epitomises capitalist power with a collection of instruments, policies, economic powers (economic, industrial, monetary and fiscal), coercive power and 'soft' cultural or consciousness-creating powers the mix of which reflects the needs of its accumulation regime and power of the working-class. The state is not a 'plot' against the working-class as anarchists suggest (Murphy 2013) misleadingly

arguing that terrorist (putsch) actions alter social structures. States vary between contexts and cultures, and the mix of powers exercised with other social institutions such as religious bodies or clan groups.

In relation to public services neoliberalism promotes a small state, low-tax economy, retaining the maximum value for capitalists. For public services, this means (a) shifting assets or contracted activity from mutuality to for-profit sector—privatisation; (b) imposing capitalist discipline into public services (quasi-markets, targeting, lean techniques, *more from less* budget cuts); and (c) weakening Trade Unions and working-class organisations and (d) de- or re-regulating social standards. These policies unite the G7 states and their G-30 followers. Reducing public services is justified in ideological terms: improving efficiency and/or austerity (balanced budgets). The instruments deployed by neoliberalism to hollow-out public services are packaged as NPM.

New Public Management and Public Services

NPM migrates capitalist methods for EV production into the realm of mutuality (the public sector/common ownership creation of UVs). NPM seeks to support capitalist profit levels by reducing, what for capitalism is wasteful expenditure, on public services, including welfare. NPM cites the ideology of efficiency as a convincing rationale when the public sector is capable of efficiency and high-quality service, despite Castells et al. (2017) contrary evidence.

Christophers (2018) shows that since 1979, 10% of the landmass of the UK has transferred from the public to the private sector, valued at over £400-billion, this is the largest privatisation (worth more than ten times the value of council house sales) since the dissolution of the monasteries by Henry VIII (Clark 2021). Harvey (2003a, b) uses the term *accumulation by dispossession*, a neat phrase because it applies equally to public assets in the UK, as to indigenous Indian land in Canada and the extortionate exploitation of mineral rights in Africa. NPM in Hodgkinson's (2012) terms is the *commodification of space*. Neoliberals at the same time are exploiting intellectual property (IP) in what Standing (2016) terms *rentier capitalism* with a 20% of multinational profits coming from historic patents their IP regimes allows them to charge for, the USA holding 25% of all valuable patents. Some examples: there are 3000 patented items in an iPhone—each one allowing the patent holder to charge rent; Shaxson's (2016) *Treasure Islands* found that \$2.3-trillion assets are held by Europeans in Swiss anonymised accounts.

Outright cuts in benefits are another NPM tool. Burrows and Loader (1994) spoke of a switch from a Keynesian welfare state (maintaining full employment and encouraging consumer demand by paying generous state benefits) to post-Fordist welfare (reducing non-work-related transfer payments and generally reducing welfare standards). This *hollowing out of the state* also promotes welfare-to-work policies (activating labour markets) applying benefit rules that force the elderly, sick and disabled into work by otherwise cutting their benefits. Jessop (1991:24) says this is a *structural transformation and fundamental strategic reorientation of the capitalist state*. Other NPM techniques are target-setting (Power 1999),

quasi-markets (Lapsley 2008, 2009) and straightforward cuts in benefits or services justified by the ideology of austerity (classical economics balanced budgets).

Public services are labour intensive. Any savings resulting from NPM contracting-out are therefore likely to come from erosion of staff reward standards, for example replacing full-time (non-wage benefits pensioned, sick pay) by zero or flexible/on-call hours contracts. Removing staff into the reserve army of labour (the precariat).

Alternatives to NPM

Socialists and progressive Trade Unionists should not defend inefficiency, resist new technologies or changing ways-of-working, far better to ally with public service users and demand investment, improved service quality and modernisation, seeking also to defend jobs using retaining, upskilling and/or service expansion. Braverman (1974) recommends such strategies. However, change should be in the interest of society and the mass of workers not on the capitalist elite. Jansson (2013) identifies HEC (health, education and care) as areas needing service expansion and calling for tax rises to fund this including an extensive training programme. A variety of responses to hollowing-out of the welfare state are inadequate.

- New public governance (NPG) is a *third way* perspective arguing that public or private ownership is irrelevant; whichever produces the best services should be adopted. This view fails to acknowledge the benefits of planning and integration between public services, the long-term advantages of which are lost when some services transfer out of the public sector, worsening services. See Angus (2023) *The War against the Commons*.
- Cocreation and coproduction are advocated as involving services users and volunteers in service design and delivery (Osborne 2018). Involvement in design has advantages for usability as von Hippel (1988) and MacKenzie and Wajcman (1985) found, and our own research (Laitinen et al. 2017) supports. Coproduction is not a sustainable strategy for ongoing delivery: (a) volunteers are unevenly available and unreliable for stable on-demand services; (b) coproduction creates an uneven quality; (c) as Leibenstein (1966) argues it transfers costs from provider to users, some of whom may be unable to pay; and (d) coproduction has become a managerialist tactic for cost-reduction as Grönroos et al. (2015) advocate.
- Kooiman and Jentoft (2009) advocate centralised, top-down network management as a supplement to NPM, discounting the absence of democratic planning and user-orientation.
- Public Service Logic (PSL, Osborne 2021) advocates coproduction and accords value creation to service users not providers; this is Fisher and Fuchs (2020) notion of *audience labour*. This approach undermines professional integrity and the ability of social workers, teachers, etc., to claim rewards as professionals. PSL synthesises with Grönroos' managerialism and Vargo and Lusch (2014) who openly advocate neoliberal market replacement of public services.
- Value-destruction or co-destruction (Cui and Osborne 2022; Eriksson et al. 2023) is the argument that when public resources are used inefficiently, or public service users are dissatisfied or innovations fail, then value is destroyed. The value

destroyed from this perspective (Mahajan 2019; Dadau and McAlliser 2019) is potential value not existing value, it includes a failure to integrate services (Curley and Keverne 2005). The argument curiously suggests that something not in existence is destroyed. The argument is either a re-hash of Parasuraman gap theory (services not meeting expectations) or a new version of the first law of thermodynamics, or an argument fearing failure. For Marx, destroying (for example, nature, a forest) is a concrete event, not an abstract potentiality.

We consider democratic planning as an alternative to NPM in Chap. 18. Here we note with Keast (2021) and Denhardt and Denhardt (2015:2021) the democratic and design advantages of planning as opposed to market or managerialist processes. For example, Waitzkin's (2018) study of planned social medicine in Brazil details how more needs can be met at a higher service quality than by NPM managerialism. Similar stories of lower costs and higher quality from technologically-assisted independent living as opposed to 'efficient' residential care (Kinder 2000) or robotic hip surgery (Koskimies et al. 2023) are all better alternatives than NPM. NPM results in queues, uneven service and sacrificing quality for cost-downs, these alternatives to NPM are based on equity and respect for individuals.

Recognition and Public Services

Chapter 16 discussing gender considers Hegel's (1807), Chitty (2013) arguments for *recognition* as the perception of identity/status in relation to others. Some of these arguments are previewed here as they relate to wealth redistribution using public services. Fraser (2000), Fraser and Honneth (2002), for example, criticising feminism as misrecognition, argue that redistribution alters alienating misrecognition of women. This argument is hotly disputed by Marxists who while welcoming redistribution as reform would argue that women's social position can only be fundamentally changed by achieving socialism. The Hegelian and Marxist perspective on recognition refers to social roles, left intact by wealth redistribution, however welcome that would be. For Hegel justice cannot be reduced to economic equality. For example, women workers struggling for equal pay leave exploitation intact if the pay to which they are equal is insufficient to adequately support their family. Further, pay is only part of the exploitation and oppression women face: wider social change than redistribution is necessary for women to be liberated from capitalism.

6.3 The Marxist View of the Welfare State

In Marx's day there was no welfare state, he wrote little directly relevant to it being concerned to show scientifically why capitalism was unstable and would lead to crises because of the falling rate of profit (he died the same year as Bismarck introduced social insurance). Nevertheless, Marx and Engels comment on socialism centre around providing collective services to all. The entire corpus of their work aims to liberate workers from poverty. Marx would be appalled at today's rising

inequality: rich capitalists accumulating billions by ‘coupon-clipping’ fictitious capital investments, while millions in undeveloped countries and advanced countries struggle to make ends meet. Marx would be the first to show that the welfare state “safety net” is failing. It is a measure of how terrible conditions are in some countries that people risk their lives to migrate into countries in which living standards for workers are collapsing.

Building on the Suzanne de Brunhoff’s (1973) *Marx on Money*, Rebecca Carson’s (2024) analysis of money making money in the form of credit and fictitious capital argues that the whole system depends on non-capitalist relationships including trust impersonal relations. She says of fictitious capital (such as contracts for future monopoly over natural capital, or derivatives re-packaging property holdings) that *the value of its value is that it produces greater value*. Capitalist families, companies and Governments increasingly rely on fictitious capital mechanisms, which as the 2008 crash demonstrated are a house built on sand: *irrational capital*. Alternatively, public services UVs directly relate people to people avoiding the *immanent uncertainties* of money, markets and fictitious capital.

Marxists ask why the state produces public services instead of paying citizens and allowing them to procure their own services from the private sector. Functionalist explanations from Althusser and for example Altwater (1973) and Yaffe (1973a, b) deduce from the proposition that capitalism benefits from workers having education and healthcare, to the leap of logic that capitalism *must* provide the services. Such an explanation leaves out worker’s struggle for part of the social surplus being used to their benefit and for the universal benefit of all: today’s, yesterday’s and tomorrow’s workers, i.e. that worker’s pressure for public services is a class struggle. Threaded throughout this section is this notion of class struggle both successful (as in 1945 to 1973) and less success or defeated as during the neoliberal state era of declining profit rates accompanied by unemployment and a growing industrial reserve army of labour in precarious employment, weakening the labour movement. Chukhrov (1993) says that in the Soviet Union, superstructures (demand for high-quality public services) became disconnected from the economic substructure, especially as resources went into military hardware. In the Chinese case, Cheng et al. (2019) insist that welfare and public services march in step with advances in economic growth. For example as He (2019) notes, China agreed to expand the efficient production and distribution of UVs.

Capitalism plays on the subconscious using marketing techniques creating artificial ‘needs’. Vygotsky (1929) social learning is suspicious of unconscious desires centred on the ‘I’ without reference to others (Marcuse 1964) and urges ‘minds-on’ active cognitive processes—humans consciously controlling their destiny. Instead, Adorno (1973) argues for negative dialectics, pessimistic enslavement to consumerism: Marx’s commodity fetishism. We are better than that. For example, feudal

villages, religious institutions, even Lords sometimes operated with a *moral economy* offering when Scheidel's (2017) *great leveller* visits as famine or natural disaster. This voluntary mutuality while welcome remained unplanned, unreliable, though better than the absence of any social services in early capitalism. Welfare states offer 'rights' such as education and healthcare and assistance in times of need, however, as current neoliberal activity shows, within the capitalist framework welfare can be removed. Only in a planned socialist economy are collective services secure, provided (unlike Chukhrov's examples) planning is democratic meeting concrete needs.

6.3.1 Marxist State and Value Creation

Marxists recognise the role of the state in value creation where private property is taken into public ownership as state capitalist state-owned enterprises (SOEs) and nationalised industries. Close examination reveals the state as potentially value creating in four dimensions: (a) directly as SOEs; (b) indirect support for value creation; (c) institutions supporting value creation; and (d) macro policies including planning.

SOE's as Chohan (2022) notes, often produce market products ranging from energy and water supply, telecommunication and Internet services, mineral extraction to steel, coal and other utilities. Mazzucato (2013, 2019) cites public investment funds (ARPA-E in the USA) and public banks (e.g. KfW in Germany). Even in the USA, some 25% of GDP is generated by publicly-owned organisations, 35% in European states.

Indirect and long-term support for value creation includes education of tomorrow's workforce and grant-aided R&D in universities and commercialisation services (Kempf 1995). Mowery et al. (2010) details examples of publicly funded R&D including pharmaceuticals, computers (see Flamm 1988 *Creating the Computer*) and services such as the global positioning system. Keynesian economists would add stimuli to aggregate demand and its multiplier effects 'pulling' production by consumer demand. Green new deal investment could be an example of capitalist states creating or stimulating growth. However, as Marx (V-1:29) says the level of productive forces (influencing productivity of mental and physical, direct and indirect labour is

... determined by various circumstances, amongst others, by the average amount of skill of workmen, the state of science, and the degree of its practical application the social organisation of production, the extent and capabilities of the means of production, and by physical conditions.

In short, state economic activity, just as in the private sector, relies on labour productivity for return on investment, and labour productivity in turn is the result of the SNLT going into its creation. In this case, levels of education and training and

access to science and technology. The intensity of labour (productivity) is the result of high levels of investment over time in social relations of reproduction.

States may provide institutional settings favouring value creation (North 1990). At a basic level this includes the rule-of-law and contract observance and eradicating negative externalities such as traffic congestion. Infrastructure provision is essential to all industrialising states. Programmes such as export credit guarantees, market making and market regulation as Foray et al. (2012) argue, support value creation. For Henry and Stiglitz (2010), intellectual property law compliance is especially important in online state service industries.

Macro policies assist value creation. These including planning, for example MITI policy of cooperative oligopolist R&D during Japan's high-growth period (Nonaka and Takeuchi 1995). The capitalist argument that low corporation taxes stimulate value creation contradicts the necessity of high levels of public services (higher education and R&D) creating new knowledge, enhancing labour capabilities. Preobrazhensky (1926) notes that socialists planning from a low industrial base face a plethora of small indigenous companies, invariably with low productivity, the higher productivity being in foreign-owned companies perhaps antagonistic to planning.

While for Keynesians state activity in value creation is largely to the benefit of capitalist enterprises, in the hands of socialists, state activity can benefit all citizens meeting social needs. State value creation returns to the levels of labour productivity resulting from investment in social relations of reproduction.

6.3.2 Marxist State as a Welfare Battlefield

As noted in Chap. 5, part of the transition from feudalism to capitalism was the abandonment of a *moral economy* which offered some community support to those in need, into the *commodification of everything* Polanyi (1944) describes. As the working-class became organised as Marx (*Capital*) points to *civil war* between classes, organised labour supporting Factory Acts, the 10-h day laws and restrictions on women and children working in factories and mines. Supporting these reforms, Marx saw them as the *result of a long struggle of classes*. Lenin too supported welfare reforms in Russia, arguing that in imperialist countries welfare and higher wages benefited from colonial value-flows—an *aristocracy of labour*. Bismarck's reforms (Rapport 2009) were in part politically motivated to diminish the rising Social Democrat Party in Germany and partly to improve the quality of labour for industry. In the UK, Newsinger (2015) points to labour strength, often localised after 1918 securing housing and healthcare reforms. Titmus (2001) too insists that Britain's welfare state was the result of bottom-up working-class pressure rather than top-down capitalist initiatives. Red Clydeside around Glasgow (Bell 2018; MacAskill 2019) was particularly important with rent strikes catalysing local council house building and slum clearance in the 1920s. Miliband's (1969) Labour Party history points to the contradictory nature of welfare reforms,

benefiting workers while also sowing reformist illusions in reformist parties (see Chap. 10 for detailed discussion). In fact, as Saville (1974) points out, liberals such as Keynes and Beveridge too can claim parentage of Britain's welfare state.

Box

Miss Polly had a dolly who was sick, sick, sick.

So she phoned for the doctor to come quick, quick, quick.

The doctor came with his bag and his hat,

And knocked at the door with a rat-a-tat-tat.

He looked at the dolly and shook his head,

And said "Miss Polly put her straight to bed.

He wrote a paper for a pill, pill, pill.

I'll be back in the morning with the bill, bill, bill.

Elected on a programme of *never again* recalling hungry-30s mass unemployment, Labour's 1945 Government instituted the welfare state at a national level, the National Health Service (free healthcare, for all, on demand) being the central point. Before this, many families resisted calling for doctors, as children's skipping rhyme illustrates, being afraid of the *bill, bill, bill*. Affordable during the post-war boom, until its end (around 1973) welfare in Britain and much of Europe had cross-class support. In 1982, historian Eric Hobsbawm wrote of the *Forward March of Labour Halted* in which he analysed the inability of labour political and industrially to defend the welfare state against the neoliberal onslaught. Guided by Hayek's (1962) small state, low tax vision of capitalism, what Jessop (2002) called the *hollowing out* of welfare began. Taylor-Gooby (2013) points to a changing tax regime: effectively the working-class paying for its own welfare services, ending redistributive taxation from the rich to the poor. Goodin (2008) notes that the welfare state had a cohesive effect being lost as welfare is dismantled.

No amount of welfare services and transfer payments will overcome ruling-class ownership of capital used in exploitation to accumulate additional capital (except where the rate of profit falls). Welfare policies such as education and healthcare benefit capitalism by providing the workforce needed by neoliberal capitalism; welfare is therefore one element of social control. Where immiseration does not impact on accumulation, as in many developing countries, capitalism does not intervene with welfare, showing an absence of moral obligation.

European welfare grew during the 1945–1973 period of capitalism growth coinciding with working-class strength able to extract political, (in addition to wage), reforms, sowing illusions of reformism (Hayek; Cao Institute). Cloaked in ideology of the need for austerity (balancing budgets), neoliberalism is using NPM to weaken welfare in its European heartland, even Tin et al. (2020) argue the Nordic states. Much of the working-class response to this onslaught is founded on moral arguments against rising inequality and poverty, with little impact. Rising unemployment (the ideological Phillips curve trading off unemployment and wages), Ferguson

(2016) argue, is the best policeman for capitalism, by reducing working-class self-assurance and confidence.

Transitional demands such work or full pay (Haagh 2019), maximum wage/wealth differentials (Pizzigati 2018) should be accompanied by programmes pointing to how socialist planning could release the potential of productive resources, increasing the value pot. For Jansson (2013), progressive reforms on the welfare battlefield are held back by politician's refusal to argue for tax rises.

Marx's Address to the Central Committee of the Communist League warned against liberal initiatives, arguing for support to initiatives benefiting workers while always pointing out their limited nature.

However, the democratic petty bourgeois want better wages and security for the workers and hope to achieve this by an extension of state employment and by welfare measures; in short, they hope to bribe the workers with a more or less disguised form of alms and to break their revolutionary strength by temporarily rendering their situation tolerable.

Part of the contradictory nature of welfare spending according to Mattick (1969) and Gough (1979) is that it contributes to inflation, at which point Unions tend to retreat from pressing for universal benefits and instead pursue wages rises, benefiting only their members. Overall, O'Connor's (1973) point remains valid: it is the lower middle-class and poorer workers that pay taxes funding welfare, the systems is not redistributive from rich to poor. For Offe (1984), welfare creates quietude in the industrial reserve army. These commentators also often point out that what is de-commodified but can be re-commodified.

6.3.3 Marxist State as Instrument of Ruling Class

In criticising Hegel's view of an idealist spirit driving social change, Marx argued in the *German Ideology* (1845) that a materialist sub-structure shapes, dynamically and dialectically an ideological superstructure that includes the state (culture, law, science and education). This sub-structure consists of physical means of production and the class relations of production and class society. Deterministically interpreting this framework is thwart with danger since social relations are composed of people and their activities and cannot be reduced to a simple formula. For example, a strong working-class may exact unsustainable (from a capitalist viewpoint) welfare concessions. Alternatively, a new technological wave may find finance and education misaligned with needs and retarding growth. Chukhrov (2020) argues that in early-socialism, rapidly changing consciousness may mean the superstructure is ahead of the sub-structure, cannot deliver growth fast enough for socialist policies.

Marx's study of the 1789 French Revolution, the European revolutions of 1848 and most importantly the 73-day Paris Commune of 1871 informed his view of the capitalist state. He concluded that the state exists to support capitalism and defend its interests as the *executive committee of the ruling class*. People enter into relations of production and reproduction *independent of their will*. Both sub and super are

social creations not natural. Marx continually points to dis-alienation, liberal from capitalism as being a self-will act of the working-class, while seemingly contradictorily, in 1859 *Contribution* saying, *It is not the consciousness of men that determines their being, but on the contrary, their social being determines their consciousness*. This contradiction is worked out in struggle. In *Anti-Dühring* Engels says

The economic structure of society is always the real basis, starting from which we can alone work out the ultimate explanation of the whole superstructure or juridical and political institutions as well as of the religious, philosophical and other ideas of a given historical period.

It is in rejecting the ruling ideas and instead learning the class basis of the sub-structure that the proletariat gains revolutionary consciousness.

Lenin developed this analysis arguing with Marx that simply taking over the state machine (*prisons, judges and bands of armed men*) would not build socialism, once working-class Government is established, the state machine should be smashed and replaced by community and workplace level democratic bodies able to plan the economy and work towards communist abundance. He criticised *vulgar Marxists* for deterministically extrapolating from sub-structure to superstructure, echoing Engels (1895) letter to Starkenburg warning there was no *automatic effect* between the two and to Mehring and Engels (1893) that effect is mediated by the environment.

Based on Gramsci's work, (1971, a prisoner of the Italian fascist Mussolini), from the 1980s onwards, socialists took a *cultural turn* (Bernstein 2000) seeing the state as building soft-power hegemonic blocs using cultural morès, what Bourdieu (1984) termed *habitus*. These are concepts, frameworks, metaphors, ways-of-working and ethical preferences promoted by the state that add up to justifying capitalism. Williams (2012) argues the state can gain autonomy as superstructure disconnecting from the economic base—an unlikely proposition, since state spending has to be influenced by the amount of social surplus generated.

Neoliberal state (Chap. 7) and fascist state are both at the service of big business, the difference being attacks on working-class organisations by fascists are physical and direct using forces of state, while neoliberal state's attacks remain within the boundaries of parliamentary democracy. The neoliberal onslaught against welfare states in Europe demonstrate the fickle and fragile nature of welfare gains, less so the Asian model in which superstructural welfare more closely follows substructural economic progress.

6.3.4 Marxist State and Public Value

The Political Economy Tradition and State Services

Political economy draws on wider social theory than economics. Smith in *Theory of Moral Sentiments* (TMS) portrays empathy as a superior method of conducting relationships than untrammelled market mediation (see Skinner 1998). He not only

supported a labour theory of value, but he also favoured state provision of infrastructure, public works and as Freeman and Soete (1996:180) noted, *Smith demanded that the government provide the opportunity for at least a basic education* and Muller (1993:150) *Smith recommends universal public schooling, largely at the government expense*. Smith's article, *Of the Experience of the Institutions for the Education of Youth* makes the case for public education as a response to what today would be termed market failure. Which as Hanley (2009:60) notes was *radical for the time* and Robbins (1965) says, *unconventional*. Chisick (1981) notes, aimed as basic *Riting, Reading and Rithmetic* (3-Rs). Marx expanded this tradition, only later was Smith portrayed as the godfather of free markets.

Responsibility

Responsibility figures prominently in working-class political movements: to deserve praise and social acceptance from behaving ethically, including a work ethic. Many disputes with employers, as Braverman (1974) noted arise from attempts to diminish work responsibility by deskilling: responsibility as relational and attributional implying perhaps formal acceptance of obligations in addition to having rights and responsibility is for outcomes, role and activity. In short, resisting mutuality. Marx's complaints are that the capitalist denuding of nature and causing period crises results from absence of what Orts and Smith (2017) term corporate moral agency. Organisations giving responsibility without power to effect outcomes, Adams and Balfour term *organisational evil*. Epistemically responsibility suggests a degree of free-will and power to be aware of consequences (Zimmerman 1997; Sliwa 2017), accept culpability (Smith 1983) and considerate of alternative actions (Levy 2011) posing the question of when ignorance is excusable or moral luck laudable (Strawson 2003). While intent matters in moral responsibility, Marx's case is a systemic one not founded on negative personality of capitalists. Many public servants (the phrase is telling) accept the higher level of responsibility associated with trust and dependency from vulnerable service users, for example, adoption services or decisions to take children into care weigh heavily as always the professional has the dual responsibility of exercising wisdom in addition to organising service delivery. In Strawson's (2003) formulation, it is not that we hold people responsible because they are responsible; rather, they are responsible because we hold them responsible, always sharply posed when responsibility is from and towards a collective group, such as Teachers. Arguably, neoliberal dismantling of welfare and regulations, such as health and safety standards) echoes Nietzsche's view that moral and social standards are an attempt by weak to control the strong (Snelson 2021). Marx is in Deng Xiaoping's tradition: *the fundamental purpose of socialism is to realise common prosperity, rather than class polarisation*.

6.4 Conclusions

This chapter has argued that the scale and scope of the welfare state (public services and transfer payments) is the result of class struggle and cannot simply be deduced by functionalist arguments around what the capitalist class benefits from. Welfare state services address material needs (healthcare, housing hygienic living conditions and education); these are described as problems to which wealth in the form of UVs provided by the state are part of the answer. The state provides these collective services rather than paying workers sufficient to procure individual solutions to problems, because organised labour struggles for universal benefits on behalf of the whole working-class, reflected in the programme of reformist political parties.

Interplay between social relations of production and social relations of reproduction continues as a theme in the following chapters which continue to explore use-value creation and distribution outside of market relations in the family, third-sector and some public–private partnerships.

Public services are only part of the state's value-creation activities. These also include direct actions, indirect activities (infrastructure), indirect services (universities and R&D), institutions (rule-of-law and IP protection) and macroeconomic policies (collaborations and demand management). Both value-creation and public service provisions are most apparent when the working-class is strong and able to push for concessions. From the viewpoint of public services, the state is a value distribution battlefield, demonstrating that the sub-/superstructure relationship Marx posited is not a simple deterministic relationship but rather one the form and content of which responds to class struggle, including areas of law, culture in addition to public services. An important result of successful struggles for welfare services is the strengthening of illusions in reformist political parties and a parliamentary road to socialism.

Since the decline in rates of profit (beginning 1973, peaking 1998) the capitalist class has adopted a neoliberal strategy, systematically weakening working-class organisations, allowing reduced state expenditure and hollowing-out of public services using new public management instruments and techniques. Additionally, neoliberalism imposes an enlarged industrial reserve army (flexible hour and wages) weakening working-class organisations. Neoliberalism demonstrates that sustainably rising working-class living standards by the provision of public services is not possible where capitalist relations of production dominate and only possible with dis-alienating capture of state power and replacing the bourgeois dictatorship with a dictatorship of the proletariat, charged with abolishing private property.

References¹

- Abdel-Fadil M (1980) *The political economy of Nasserism. A study in employment and income distribution policies in urban Egypt, 1952-72*. Cambridge University Press, Cambridge
- Acemoglu D (2013) *Why nations fail: the origins of power, prosperity and poverty*. Cambridge University Press, Cambridge
- Aclimandos TA (2001) Regard rétrospectif sur la Révolution égyptienne, ou le 23 juillet 1952. *Égypte monde arabe* 4–5:15–19
- Adorno TW (1973, 1948) *The philosophy of modern music*. Sheed & Ward, London
- Aglietta M (1979) *A theory of capitalism regulation*. Verso, London
- Althusser L (2014) *On the reproduction of capitalism: ideology and ideological state apparatuses*. Verso, London
- Altvater E (1973) Some problems of state interventionism. *Kapitalstate* 1 and 2
- Altvater E (2007) The capitalist energy system and the crisis of the global financial markets. *Labour Capital Soc* 40(1/2):18–35
- Angus I (2023) *The war against the commons*. Monthly Review Press, New York
- Askita NK, Tatsiramos K, Verheyden B (2021) Estimating worldwide effects of non-pharmaceutical interventions on COVID-19 incidence and population mobility patterns using a multiple-event study. *Sci Rep* 11:1–13
- Aspalter C (2006) The east Asian welfare model. *Int J Soc Welf* 15:290–301. <https://doi.org/10.1111/j.1468-2397.2006.00413.x>
- Baker RW (1978) *Egypt's uncertain revolution under Nasser and Sadat*. Harvard University Press, Cambridge, MA
- Bambra C (2007) Going beyond the three worlds of welfare capitalism: regime theory and public health research. *J Epidemiol Commun Health* 61(12):1098–1102
- Barnes TJ, Gertler MS (eds) (1999) *The new industrial geography—regions, regulation and institutions*, Chapter 1. Routledge, London
- Bar-On A (2001) Providing so little for so few: Botswana's social assistance scheme. In: Wilson F, Kanji N, Braathen E (eds) *Poverty reduction: what role for the state in today's globalized economy?* Zed, London, pp 246–268
- Bell H (2018) *John Maclean: hero of Red Clydeside*. Pluto Press, London
- Bernstein B (2000) *Pedagogy, symbolic control, and identity: theory, research critique*. Rowman & Littlefield, Lanham
- Bhattacharya T (ed) (2017) *Social reproduction theory: remapping class, recentring oppression*. Pluto Press, London
- Bourdieu P (1984) *Distinction*. Routledge, Abingdon
- Boyer R (1990) *Regulation theory*. Macmillan, London
- Braverman H (1974) *Labour and monopoly capital*. Monthly Review Press, New York
- Brenner J (2000) *Women and the politics of class*. Monthly Review Press
- Bunker S (1985) *Under-developing the Amazon*. University of Chicago Press, Chicago, IL
- Burrows R, Loader B (eds) (1994) *Towards a post-Fordist welfare state*. Routledge, London
- Calcaterra L, Cesari M, Lim WS (2022) Long-term care facilities (LTCFs) during the COVID-19 pandemic—lessons from the Asian approach: a narrative review. *J Am Med Direct Assoc* 23:399–404
- Carson R (2024) *Immanent externalities—the reproduction of life in capital*. Haymarket Books, Chicago, IL

¹To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, *Capital* is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of *Capital*. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Castells M, Himanen P (2002) *The information society and the welfare state—the Finnish model*. Oxford University Press, Oxford
- Castells M et al (2017) *Another economy is possible: culture and economy in a time of crisis*. Polity, Cambridge
- Catusse M, Karam K (2009) *Reforms at a standstill for the Taef government of Lebanon*. Beirut Lebanese Center for Policy Studies
- Chalise HN (2020) South Asia is more vulnerable to COVID-19 pandemic. *Arch Psychiatr Ment Health* 4:46–47
- Cheng E, Wang G, Zhu K (2019) *The creation of value by living labour—a normative and empirical study*, vol 1. Canut, Berlin
- Chisick H (1981) *The limits of reform in the enlightenment*. Princeton University Press, Princeton
- Chitty A (2013) Recognition and property in Hegel and the early Marx. *Ethical Theory Moral Pract* 16:685–697
- Chohan UW (2022) The public value creation of state-owned enterprises. In: *Regulation of state-controlled enterprises*. Springer, pp 209–222
- Christophers B (2018) *The new enclosure—the appropriation of public land in neoliberal Britain*. Verso, London
- Chukhrov K (1993) *Practicing the good, e-flux*. University of Minnesota Press, Minnesota
- Chukhrov K (2020) *Practicing the good: desire and boredom in Soviet socialism*. University of Minnesota
- Clark JG (2021) *The Dissolution of the Monasteries: a new history*. Yale University Press, New Haven
- Clark J, Freeman C, Soete L (1981) Long waves, inventions and innovation. *Futures* 13(August):308–322
- Craissati D (1989) *The political economy of Nasserism and Sadatism: the nature of the state in Egypt and its impact on economic strategy*. MA thesis. McGill University, Montreal
- Cui T, Osborne SP (2022) Unpacking value destruction at the intersection between public and private value. *Public Administration*. <https://onlinelibrary.wiley.com/doi/pdf/10.1111/padm.12850?src=getftr>
- Curley JP, Keverne EB (2005) Genes, brains and mammalian social bonds. *Trends Ecol Evol* 20(10):561–567
- Dadau AI, McAlliser L (2019) Failure in welfare partnerships. *Public Policy Administration* 34(1):84–103. <https://doi.org/10.1177/0952076717751037>
- Davis AJ (1981) *Women, race and class*. Random House
- De Brunhoff S (1973) *Marx on money*. Verso, London
- Denhardt JV, Denhardt RB (2015) The new public service revisited. *Public Adm Rev* 75(5):664–672
- Ellner S (2021) *Latin American Extractivism*. Rowman & Littlefield, London
- Engels F (1895) *Dialectics of nature*. <https://www.marxists.org/archive/marx/works/download/pdf/dialectics-nature.pdf>. Accessed 20 Jan 2025
- Erdle S (2010) The DESERTEC initiative. Powering the development perspectives of Southern Mediterranean countries? DIE Discussion Papers, No. 12/2010
- Eriksson E, Williams S, Hellström A (2023) Dis/value in co-production, co-design and co-innovation for individuals, groups and society. *Public Money Manag* 43(1):17–25
- Esping-Andersen G (1990) *The three worlds of welfare capitalism*. Polity Press, Cambridge
- Esping-Andersen G (1999) *Social foundations of post-industrial economies*. Oxford University Press, Oxford
- Ferguson S (2016) Intersectionality and social-reproduction feminisms: toward an integrative ontology. *Hist Mater* 24:2
- Fine B (2017, January) A note towards an approach towards social reproduction. www.iippe.org/wp-content/uploads/2017/01/sroverviewben.pdf
- Fisher E, Fuchs C (eds) (2020) *Reconsidering value and labour in the digital age*. Macmillan, London
- Flamm K (1988) *Creating the computer*. The Brookings Institution, Washington, DC

- Foray D, Mowery D, Nelson RR (2012) Public R&D and social challenges: what lessons from mission R&D programs? *Res Policy* 41(10):1697–1902
- Foster JB, Burkett P (2018) Value isn't everything. *Monthly Review*, November, pp 1–37
- Fraser N (2000) Rethinking recognition. *New Left Rev* 3:107–120
- Fraser N, Honneth A (2002) Redistribution or recognition? A political-philosophical exchange. Verso, London
- Freeman C, Soete L (1996) Work for all or mass unemployment? Computerised technical change into the twenty-first century. Pinter, London
- Goffman E (1959) The presentation of self in everyday life. Doubleday, New York
- Good DJ, Lyddy CJ, Glomb TM, Bono JE, Brown KW, Duffy MK, Baer RA, Brewer JA, Lazar SW (2016) Contemplating mindfulness at work: an integrative review. *J Manag* 42(1):114–142
- Goodin (2008) Political theory of the welfare state. Macmillan, London
- Gortz A (2001) Farewell to the working class. Pluto, London
- Gortz A (2010) The immaterial. Seagull, London
- Gough I (1979) The political economy of the welfare state. Macmillan, London
- Gramsci A 1971 (1939–1935) Prison notebooks. International, New York
- Grönroos C, Strandvik T, Heinonen K (2015) Value co-creation: critical perspectives. In: Gummerus J, Von Koskull C (eds) *The Nordic school: service marketing and management for the future*. CERS, Hanken School of Economics, Helsinki, pp 69–83
- Guérin D (1973) Fascism and big business. Pathfinder, New York
- Haagh L (2019) The case for universal basic income. Polity, Cambridge
- Hall P, Soskice D (eds) (2001) Varieties of capitalism: institutional foundations of comparative advantage. Oxford University Press, Oxford
- Hanley R (2009) Adam Smith and the character of virtue. Cambridge University Press, Cambridge
- Harvey D (2003a) The new imperialism. Oxford University Press, Oxford
- Harvey D (2003b) The right to the city. *Int J Urban Reg Res* 27(4):939–941
- Harvey D (2007) The right to the city. *New Left Rev* 53:23–40
- Hayek FA (1962) The road to serfdom. Routledge, London
- He X (2019) Advances in economics, business and management research, volume 110. In: 5th international conference on economics, Management, Law and Education (EMLE)
- Hegel GWF 1977 (1807) *Phenomenology of Spirit* (Miller trans.). Oxford University Press, Oxford
- Helkama K, Portman D (2019) *Johdatus Sosiaalipsykologiaan*. Edita (Finnish), Helsinki
- Henry C, Stiglitz JE (2010) Intellectual property, dissemination of innovation and sustainable development. *Global Policy* 1(3):237–251
- Hiro D (1994) Between Marx and Muhammad—the changing face of Central Asia. HarperCollins, London
- Hobsbawm E (1982) Forward march of labour halted. Verso, London
- Hodkinson S (2012) The new urban enclosures. *City* 1(16/5):500–518
- Holliday I (2005) East Asian social policy in the wake of the financial crisis: farewell to productivism. *Policy Polit* 33(1):145–162
- Holliday I (2016) Productivist welfare capitalism: social policy in East Asia. *Polit Stud* 48(4):706–723. <https://doi.org/10.1111/1467-9248.00279>
- Holm JD, Morgan RG (1985) Coping with drought in Botswana: an African success. *J Mod Afr Stud* 23(3):463–482
- Jakubowski F (1990) Ideology and superstructure in historical materialism. Pluto, London
- Jansson JO (2013) The economics of services—micro-foundations, development and policy. Edward Elgar, Cheltenham
- Jessop B (1991) The hollowing out of the welfare state. In: Benefield W, Holloway J (eds) *Post-Fordism and Social Form*. CSE, Macmillan
- Jessop B (2002) The future of the capitalist state. Polity Press, Cambridge
- Jones C (1993) The Pacific challenge. In: Jones C (ed) *New perspectives on the welfare state in Europe*. Routledge, London
- Karger JH (1996) The Public good and the welfare state in Africa. *J Soc Dev Afr* 11(1):5–16

- Kaufmann FX (2013) *Variations of the welfare state: Great Britain, Sweden, France, Germany: between capitalism and socialism*. Springer, Heidelberg
- Keast R (2021) Engaging citizens, clients, and communities for policy and service delivery, Chapter 10. In: Hildreth WB, Miller GJ, Lindquist EA (eds) *Handbook of public administration*, 4th edn. Routledge, London
- Kempf R (1995) Exploitation of rights from the US space program by NASA. In: Gimeno B (ed) *Intellectual property rights and space activities*, vol 378. European Space Agency
- Kim WSK, Shi S-J (2013) Emergence of new welfare states in East Asia? Domestic social changes and the impact of “welfare internationalism” in South Korea and Taiwan (1945–2012). *Int J Soc Qual* 3(2):106–124
- Kinder T (2000) A sociotechnical approach to the innovation of a network technology in the public sector—the introduction of smart homes in West Lothian. *Eur J Innov Manag* 3(2):72–90
- Kooiman J, Jentoft S (2009) Meta-governance: values, norms and principles, and the making of hard choices. *Public Adm* 87(4):818–836
- Koskimies E, Stenvall J, Kinder T, Leikas D, Nieminen J (2023) Artificial intelligence and public innovations, Chapter 5. In: Väyrynen H, Helander N, Jalonen H (eds) *Public innovation and digital transformation*. Routledge, London
- Laclau E, Mouffe C (1985) *Hegemony and socialist strategy: towards a radical democratic politics*. Verso, London
- Laitinen I, Stenvall J, Kinder T (2017) Co-design and action learning in local public services. *J Adult Contin Educ* 2017:1–26
- Lapsley I (2008) The NPM agenda: back to the future. *Financ Account Manag* 24(1):77–96
- Lapsley I (2009) New public management: the cruellest invention of the human spirit? *Abacus* 45:1. <https://doi.org/10.1111/j.1467-6281.2009.00275.x>
- Lebowitz M (2003) *Beyond ‘capital’: Marx’s political economy of the working class*, 2nd edn. Palgrave MacMillan, Basingstoke
- Lebowitz M (2010) Trapped inside the box? Five questions for Ben Fine. *Hist Mater* 18(1):131–149
- Lefebvre H (2020) *The production of space*. Wiley-Blackwell, London
- Leibenstein H (1966) *Allocative efficiency and X-efficiency*. Oxford University Press, Oxford
- Levy (2011) *Hard luck: how luck undermines free will and moral responsibility*. Oxford University Press, Oxford
- Locke J 1689 (1988) *Two treatises of government*. Cambridge University Press, Cambridge
- Lucas K, Mattioli G, Verlinghieri E, Guzman A (2016) Transport poverty and its adverse social consequences. In: *Proceedings of the institution of civil engineers-transport*. 169(6):353–365
- Lukes S (1974) *Power: a radical view*. Macmillan, London
- MacAskill K (2019) *The rise of red Clydeside*. Biteback Publishing, Glasgow
- MacKenzie D, Wajcman J (1985) *The social shaping of technology*. Oxford University Press, Milton Keynes
- Macpherson CB (1962) *The political theory of possessive individualism—Hobbes to Locke*. Oxford University Press, Oxford
- Mahajan G (2019) Critically exploring value destruction to create more value. *J Creat Value* 5(1):3–10
- Marcuse H (1943/1964) *Reason and revolution*. OUP, Oxford
- Markkola P (2014) Focusing on the family: the Lutheran church and the making of the Nordic welfare state in Finland, 1940s to 1960s. *J Church State* 56(1):60–80
- Marx K (1971) *The Grundrisse* (Ed. and trans. D. McLellan). Harper Torchbacks, New York
- Mattick P (1969) *Marx and Keynes*. Extending Horizons Books, New York
- Mazzucato M (2013) *The entrepreneurial state: debunking public vs private sector myths*. Anthem Press, London
- Mazzucato M (2019) *The value of everything—making and taking in the global economy*. Allen Lane, London
- McGregor S (2018) Social reproduction theory—back to (which) Marx. *Int Soc* 160
- Mehring F, Engels F (1893) *Correspondence*, MECW-41

- Mészáros I (1970) Marx's theory of alienation. Merlin Press, London
- Mészáros I (2022) Beyond leviathan—critique of the state. Monthly Review Press, New York
- Midgley J (1986) Industrialization and welfare: the case of the four little tigers. *Soc Policy Adm* 20(3):225–238
- Miliband R (1969) The state in capitalist society. Weidenfeld & Nicolson, London
- Miliband R (2009) Marxism and politics. Penguin, London
- Mill JS (1872) 1998 Principles of political economy. Oxford University Press, Oxford
- Mohi El Din K (1995) Memories of a revolution. Egypt 1952. American University in Cairo Press, Cairo
- Molina AH (1999a) Understanding the role of the technical in the build-up of sociotechnical constituencies. *Technovation* 19:1–29
- Molina A (1999b) The role of the technical in innovation and technology development: the perspective of sociotechnical constituencies. *Technovation* 19:1–29
- Molina A, Kinder T (2000) National systems of innovation, industrial clusters and constituency-building in Scotland's electronics industry. In: Lopez-Martinez R, Piccaluga A (eds) Knowledge flows in national information systems. Edward Elgar, Cheltenham, pp 15–55
- Molina A, Kinder T (2001) National systems of innovations, industrial clusters and constituency-building in Scotland's electronics industry. *Int J Entrep Innov Manag* 1(2):241–275
- Mowery DC, Nelson RR, Martin BR (2010) Technology policy and global warming: why new policy models are needed (or why putting new wine in old bottles won't work). *Res Policy* 39(8):1011–1023
- Muller M (1993) Participatory design. *Commun ACM* 36(6):24–28
- Murphy E (2013) Unmaking Merlin—anarchist tendencies in English literature. *Zero*, Hants
- Newsinger J (2015) A cultural shock doctrine? Austerity, the neoliberal state and the creative industries discourse. *Media Cult Soc* 37(2):302–313
- Niinivaara E (1952) Maallinen ja hengellinen (Finnish)
- Niño-Zarazúa M, Barrientos A, Hickey S, Hulme D (2012) Social protection in sub-Saharan Africa: getting the politics right. *World Dev* 40(1):163–176
- Nonaka I, Takeuchi H (1995) The knowledge-creating company. OUP, Oxford
- Norman K (2018) Sweden's dark soul: the unravelling of a utopia. Hurst, Oslo
- North DC (1990) Institutions, institutional change and economic performance. Cambridge University Press, Cambridge
- O'Connor J (1973) The fiscal crisis of the state. St. James Press, London
- OECD (2023) Old-age income poverty. In: Pensions at a glance 2023: OECD and G20 indicators. OECD, Paris. <https://doi.org/10.1787/c3f27e35-en>
- Offe C (1984) Contradictions of the welfare state. MIT Press, Cambridge, MA
- Orts EW, Smith NC (2017) The moral responsibility of firms. Oxford University Press, Oxford
- Osborne SP (2018) From public service-dominant logic to public service logic: are public service organizations capable of co-production and value co-creation? *Public Manag Rev* 20(2):225–231. <https://doi.org/10.1080/14719037.2017.1350461>
- Osborne SP (2021) Public service logic: creating value for public service users, citizens, and society through public service delivery. Routledge, New York
- Petersen M (2004) Embracing values in designing domestic technologies. In: Proceedings of European conference on cognitive ergonomics. ACM Press, New York, pp 161–171
- Pigou AC, 1920 (1952) The economics of welfare. Transaction Publishers, London
- Piketty T (2013) Capital in the twenty-first century. Harvard University Press, Cambridge, MA
- Piketty T (2020) Capital and ideology. Harvard University Press, Cambridge, MA
- Pizzigati S (2018) The case for a maximum wage. Polity, London
- Polanyi M (1944) The great transformation. Farrar & Rinehart, London
- Poulantzas N (1969) The problem of the capitalist state. *New Left Rev* 1:58. <https://newleftreview.org/issues/i58/articles/nicos-poulantzas-the-problem-of-the-capitalist-state>
- Poulantzas N (1972) Classes in contemporary capitalism. New Left Books, London
- Poulantzas N (1974) Fascism and dictatorship. NLB, London

- Poulantzas N (1975) *Classes in contemporary capitalism*. New Left Books, London
- Poulantzas N (1976) *Crisis of dictatorship: Portugal, Greece, Spain* (First edition. 1975). NLB, London
- Power M (1999) *The audit society: rituals of verification*. Oxford University Press, Oxford
- Preobrazhensky E 1926 (1965) *The new economics*, 2nd edn. Clarendon Press, Oxford
- Rapport M (2009) 1848 – year of revolution. Abacus, London
- Rieger E, Leibfried S (eds) (2003) *Limits to globalization: welfare states and the world economy*. Polity Press, Cambridge
- Robbins (1965) *Higher Education in the UK*. HMSO, London
- Roberts M (2009) *The great recession*. Lulu Press
- Roberts M (2021). <https://thenextrecession.wordpress.com/2021/11/04/poverty-in-the-pandemic/>. Accessed 27 Dec 2021
- Saengtabtim K, Tang J, Leelawat N, Egawa S, Suppasri A, Imamura F (2023) Universal health coverage mitigated COVID-19 health-related consequences in Asia Oceania. *Int J Disaster Risk Reduct* 92:103725
- Saville J (1974) Class struggle and the industrial revolution. *Socialist Register*:226–240
- Scheidel W (2017) *The great leveller: violence and the history of inequality from the stone age to the twenty-first century*. Princeton University Press, Princeton
- Scott J (1999) Seeing like a state: how certain schemes to improve the human condition have failed. Yale University Press, New Haven, CT
- Seekings J (2007) ‘Not a single white person should be allowed to go under’: swartgevaar and the origins of South Africa’s Welfare State, 1924–1929. *J Afr Hist* 48:375–394. <https://doi.org/10.1017/S0021853707002836>
- Seekings J (2019) Building a conservative welfare state in Botswana. In: Hickey S et al (eds) *The politics of protection in Eastern and Southern Africa*. Oxford University Press, pp 42–67. <https://academic.oup.com/book/39300>
- Shaxson N (2016) *Treasure Islands: Tax Havens and the Men Who Stole the World*. Vintage, New York
- Skinner Q (1998) *Liberty before liberalism*. Cambridge University Press, Cambridge
- Sliwa P (2017) On knowing what’s right and being responsible for it. In: Robichaud P, Wieland JW (eds) *Responsibility: the epistemic condition*. Oxford University Press, Oxford, pp 127–145
- Smith A 1970 (1776) *The wealth of nations*. Penguin, London
- Smith HM (1983) Culpable ignorance. *Philos Rev* 92(4):543–571
- Snelson A (2021) Nietzsche’s Strawsonian reversal. *Journal of Nietzsche Studies* 52(2):234–259
- Standing G (2016) *The corruption of capitalism—why rentiers thrive and work does not pay*. Biteback Publishing, London
- Strawson PF 2003 (1997) Freedom and resentment. In: Watson G (ed) *Free will*. Oxford University Press, Oxford, pp 72–93
- Streeck W, Yamamura K (eds) (2001) *The origins of non-liberal capitalism: Germany and Japan in comparison*. Cornell University Press, Ithaca
- Tang KL (2000) *Social development in East Asia*. Palgrave, Basingstoke
- Taylor-Gooby P (2013) *The double crisis of the welfare state and what we can do about it*. Palgrave, Basingstoke
- Thomas PD (2024) *The Gramsci moment: philosophy, hegemony and Marxism*. Aakar Books, London
- Tin F, Telseth J, Tangen O, Giulianotti R (eds) (2020) *The Nordic model and physical culture*. Routledge, London
- Titmus R (2001) *Welfare and society*. Springer, London
- van Kersbergen K (2003) *Social capitalism: a study Christian democracy and the welfare state*. Routledge, London
- Vargo SL, Lusch RF (2014) Inversions of service-dominant logic. *Mark Theory* 14(3):239–248
- Vogel L (1983) *Marxism and the oppression of women*. Haymarket Books, Chicago, IL
- von Hippel E (1988) *The sources of innovation*. OUP, Oxford

- Vygotsky LS (1929) The problem of the cultural development of the child. *J Genet Psychol* XXXV1(1):28
- Waitzkin H and Working Group on Health Beyond Capitalism (2018) *Health care under the knife: moving beyond capitalism for our health*. Monthly Review Press, New York
- Weber M (1979/1921) *Economy and society: an outline of interpretive sociology*, Chapter XI, vol 2. University of California Press, Berkeley
- Williams R (2012) Base and superstructure in Marxist cultural theory. *Media Cult Stud* 28:115
- Wood EM (1999) *The origin of capitalism—a longer view*. Monthly Review Press, New York
- Wood EM (2003) Democracy as ideology of empire. In: Mooers C (ed) *The new imperialists: ideologies of empires*. Oneworld Publications, New York
- Yaffe D (1973a) The Marxian theory of crisis, capital and the state. *Econ Soc* 2:2
- Yaffe D (1973b) *Value, price and neo-Ricardians*. Macmillan, London
- Yuen S et al (2021) A tale of two city-states: a comparison of the state-led vs civil society-led responses to COVID-19 in Singapore and Hong Kong. *Glob Public Health* 16:1283–1303
- Zimmerman MJ (1997) Moral responsibility and ignorance. *Ethics* 1073:410–426
- Zitouni B (2004) Donna Haraway and Bruno Latour: an ontological divide, Paper presented at “Technonatures II” conference, School of Geography and the Environment. Oxford University

Chapter 7

Public Services and the Neoliberal State



Abstract An analysis of public services and the neoliberal state centres on why the working-class is unable to defend gains it previously won faced with neoliberal Governments' intent on hollowing-out public services and its transfer of value creation in the form of non-market use-values to for-profit, market-mediated exchange values. Neoliberal new public management (NPM) and the neoliberal attack in Europe, Asia, Africa and South America in public services are contrasted with expanding public services in China. It shows how many services can be provided either by the state, the household or 3S and how neoliberals seek to reduce taxes on the rich and companies at the cost of diminished public services and lowering of standards to which the response is not coproduction or more from less, but instead a united defence of reforms gained and struggle for an alternative strategy. Digging into the nature of neoliberalism and using Engel's notion of *social murder*, it is characterised as a response to a falling rate of profit (lower taxes and weakened worker's organisations) posing challenges for uniting workers across divides (racial, gender and spatial) including capitalism's use of a flexible industrial reserve army of labour in precarious employment.

7.1 Introduction

Building from Chap. 6, this chapter theorises the neoliberal state and its effects on public services and its use of new public management (NPM) to dismantle the welfare state. Neoliberalism is a form of imperialism, an international system seeking to restore value-flows to capitalism faced with declining profit rates, by marketising state assets and functions and overall reducing state expenditure instituting austerity and welfare cuts. Neoliberalism converts use-value (UV) public services (functions and assets) into exchange-value (EV) for-profit commodities, doing so involves weakening the working-class organisations that fought for welfare reforms.

Learning Objectives and Structure

The chapter has three learning objectives.

LO-7.1: As Chap. 6 showed, the welfare state originated and evolved in response to strengthened labour movements and the changing needs of capital for a more educated, healthier workforce. We explore why the working-class is no longer able to defend its gains and why the needs of capital are changing from universal welfare and (using NPM) to reduce the cost to capital of welfare.

LO-7.2: Public value (PV, solving citizens' problems by providing UVs) supplemented state public services with contributions from the third-sector (3S) and some public–private partnerships (PPPs). We discuss how far NPM as the instrument of neoliberalism is seeking to shift the cost of welfare from the state into these non-state organisations and the extent to which neoliberalism can divide the working-class by the levels of public services they can access.

LO-7.3: What are the implications of the NPM onslaught against the welfare state for Marxist theory of welfare as reforms faced with a declining rate of profit and new priorities for distributing value? How does the concept of the neoliberal state relate to the Marxist concept of imperialism and protection of our natural capital heritage—what (if any) are the limits on neoliberal dis/re-regulation of markets, including international labour markets? What are the implications of neoliberalism internationally for welfare and public services in post-capitalist countries?

Structure

A first section considers previous research on the neoliberal state and the interaction between neoliberalism as an international approach to social relations of production and reproduction and its implications for nation states at different levels of economic development. It does this by historicising the welfare state, discussing the journey from laissez-faire liberalism to neoliberalism and then the failure/dismantling of Keynesian welfare. The chapter contrasts public services in developing countries (African, Asian and South American welfare states) with China, non-European capitalist countries (USA and Japan) with the European model, showing how PV is under attack from neoliberal policies and NPM.

The second part of the chapter considers Marx's points relevant to the state and public services, ideas generated by Marxists and finally the usefulness of the $UV = PV$ approach outlined in Chap. 2, contrasting Gough (2008). Connections and interpenetration between high-level changes and their connection to micro level and localised public services are discussed, connecting neoimperialism and neoliberalism with family debt, rising inequality and restructuring of politics and citizenship (active to passive). Current work verifying Marx's falling rate of profit is discussed—Carchedi and Roberts (2021), Enfu Cheng et al. (2019) and Rotta and Kumar (2024) the falling rate of profit is verified. Marxist accounts of capitalism's

despoiling of nature are considered (Foster 2022; O'Connor 1998) and how this relates to attacks on public services. We discuss socialism with Chinese characteristics (SWCC) (Brugger and Kelly 1990; Cheng 2016). A concluding section suggests ways in which attacks on public services relate to existing struggles.

7.2 Expansion of Public Service Value

7.2.1 *Historicising the Welfare State*

Chapter 6 noted that early labour movements focused on political demands (representation and voting) and only later incorporated social demands beginning with compulsory education, rights limiting working hours and ending labour. Only by the early twentieth century, Therborn (1977, 1986) notes did European labour movements evolve systematic social programmes such as pensions, unemployment benefits and only after 1945 wider public services programmes including healthcare and childcare (Titmuss 1950; Gilbert 1966; Miliband 1969). Gough (2008) positions welfare as limiting market power, transferring payments to the needy. Therborn (1986) suggests the political colour of Governments made little difference to the proportion of GDP spent on public services; only after the 1960s did Nordic cradle-to-the-grave policy emerge. For Kerr (1962), these are functionalist developments, responding to the needs of capital, such as Olson's (1965) rational public choice *natural coming together*, while others recognise welfare as a battlefield (Galbraith 1963; Wilensky 1975). Basu (2018) notes the affordability for capitalism of welfare and public services during the period of profit growth (roughly to 1973, peaking around 1997 and subsequently falling). It is important to note with Gough, that economics do not simply determine levels of public services which are the subject of class struggle.

Public choice theory, market fundamentalist purporting to resolving even the most complex social problems (having children and social options) using rational choice, utility maximisation economics. Arrow (1962), Downs (1957), Buchanan and Tullock (1962), Olson (1965) and Becker (1991) are important works. This is of course ridiculous. People do not make rational choices or maximise utility. This is bourgeois economics at its worst, pretending that resource distribution is the result of rationality and not capitalist power.

7.2.2 *From Laissez-Faire Liberalism to Neoliberalism*

Neoliberalism is an academic term, the new form of small state, market-oriented capitalism first evident in Carter's deregulation of banks, Reagan's tax cuts and Thatcher's privatisations. It is an awkward terminology. Alternative terms such as (Mandel's 1975) *late-capitalism* fail to capture the global reach of neoliberalism, and while the twenty-first century continues Lenin's era of imperialism—the final stage of capitalism—the nature of imperialist value-flows has altered. We are stuck with the term neoliberalism.

Liberalism centres on individual liberties in open economy institutions featuring minimal taxes and a small state (Luce 2017), while neoliberalism (as a response to Keynesian economic management) is based on Austrian *economics* (von Mises 1960; Hayek 1962; see Losurdo 2020). This gives a predominance, Shackle (1972) notes, of market economic relationships over political economy (Losurdo 2014). For Streeck (1992), a switch of emphasis from demand to supply-side economics, De Long's (2022) *neoliberal turn*. Strategically neoliberalism uses the state to counter a falling rate of profit (Crouch 2011; Eagleton-Pierce 2016), tactically it aims to weaken or destroy working-class organisations capable of defending public services gains (Harvey 2005; Peck and Theodore 2012), to de- or re-regulate markets in the interest of capital (e.g. by lowering standards, allowing fictitious capital and natural capital investment, easy credit (see Fraser 2009; Mirowski 2014a, b; Mitchell et al. 2023) and to transfer assets or functions from the state to the for-profit sector (Christophers 2018).

7.2.3 *Expansion of Value into Public Services: The Swedish Case*

The value neoliberalism seeks to privatise from the state often took decades to build up, as Therborn (1977, 1986) recalls in the case of Sweden. Only in the 1920 did the scale and scope of Swedish public services take off, building on traditions such as pillorying abandoning fathers and Trade Union mutual support insurance funds. In an anti-Bolshevik groundswell the Social Democratic Party promoted social programmes and agrarian policy as alternatives to militarism, services including health, accident, pensions, maternity, widows, occupational diseases and unemployment insurance; the latter especially important in the 1930s. Neutrality during the 1939–1945 war allowed further build-up of the *people's home*, led by Myrdal's social Darwinism. After 1945, welfare and public services expanded with as a successful Nordic economy led by deeply committed Social Democrats, with more than half public spending going into welfare: cradle-to-the-grave care. Tripartite institutions (employers, Unions and state), creating (as in Japan and West Germany,

though without the same public services), as Pickett and Richard Wilkinson (2009) providing high-growth based on consensual politics and low inequality. Critics referred to corporatist politics with working-class organisations losing independence, other pointed to the benefits to living standards of a high-wage, high-productivity (high-tax) economy. Much of the Swedish welfare state was managed at a local level, Norman (2018) drawing attention to high levels of state interference in family life and Broberg and Roll-Hansen (2005) to the darker eugenics policies in relation to disabled and mentally-ill citizens.

Currently, demographic change and rising dependency ratio, coupled to a reluctance to share welfare benefits with migrants (Brown 2017; Barker 2018) added to the profits squeeze since the 1990s (Carroll 1993) have seen right-wing Governments elected on a programme of tax cuts and public service cuts. Though losing some of its sparkle, especially in quality of healthcare, Swedish welfare remains amongst the highest level internationally.

The point of this Swedish detour illustrates how much is at stake for neoliberalism if they can remove functions and assets from the public to the for-profit sector, underlining also of course how much is at stake for the working-class to lose.

7.2.4 Failure of Keynesian Welfare State

Keynesian welfare was premised on full-employment. Few envisaged a 1980s return to high unemployment coupled with the high costs of an ageing population (Offe 1984): *fewer babies and longer lives* as Ermisch (1990) pithily put it. Marxists such as Mattick (1969) pointed to two contradictions in Keynesian state management: firstly, productivity rising slower than the rate of state expenditure increase causing inflation, and secondly, as Sardoni (2015) also notes, the unreliability of psychology-based instruments (propensity to consume and save, *animal spirits*). While Skidelsky (2009) points to continued high levels of state spending (in the USA and UK deficit-financed), Lægreid and Mattei (2013) charts the dominance in economic policy of the UK Treasury department, irregardless of political complexion of Government, arguing that there has been an uninterrupted austerity since the early 1920s. Lægreid and Mattei (2013:271) says, *What's clear is that austerity is particularly effective not in stabilising economies, but in stabilising class relations*. Keynesian failed because neoliberal policy dictates low inflation (suing asset and debt holders) and punishes high state debt with high bond (borrowing) costs, more fundamentally Keynesian failed because it leaves capitalism's contradictions untouched, especially its low productivity and production. Unlike capitalist imperialism, the Keynesian system is nation-state oriented; neoliberalism has a global reach and impacts on public services in every country it touches.

7.3 Public Services in Developing Countries

Capitalism has a global reach, it seeks to extend market relations across the globe by exporting capital and goods, also seeking natural resources and bases for low-cost production. The rate of capital accumulation is the variable dictating capitalist growth or crisis (*Capital* V-1:770). Since the early twentieth century, Lenin's characterisation of capitalism entering imperialism, the final stage of capitalism remains relevant. Carchedi and Roberts' (2023) research finds that the value-flows imperialist expropriate from developing countries are fourfold: unequal exchange resulting from currency seigniorage; income flows from capital investments; unequal exchange through trade and changes in exchange rates. Denuded of value and forced to comply with neoliberal policies and institutions, developing countries are left with insufficient resource to grow public services.

7.3.1 *Imperialist Institutions*

Imagine the true story of a small group of ideologically-motivated people, referencing a guru whose ideas are rooted in the nineteenth century, meeting in a secret location planning to overtake prominent international institutions, and being successful! This is not some Leninist cell plotting the overthrow of capitalism, this is Slobodian's (2018) narrative of right-wingers, appalled by Red Vienna and the 1917 Revolution in Russia, met to promote the ideas of von Mises (1960) and von Hayek (1962), Steel (1993). They targeted placing people in the International Chamber of Commerce and then managed to take over the World Trade Organisation (WTO). From this base they dominate the World Bank (WB), International Monetary Fund (IMF) and United Nations Industrial Development Organisation (UNIDO). Not bad for a small group of ideological refugees! Von Mises was an ultra-market ideologue, von Hayek's *Road to Serfdom* attack on Keynesianism and Marxist became compulsory reading for the right-wing leaders prominent in the 1980s onwards.

For Cheng and Liu (2014), neoimperialism has five characteristics: (1) monopolies of production and circulation by giant corporations; (2) industrial capital becoming finance capital; (3) USA dollar monopoly over IP and international payments; (4) international military alliances and vulgar culture dominating through oligopolistic alliances and (5) A general trend in capitalism for predatory, hegemonic and fraudulent, parasitic and decaying, transitional and moribund form of contemporary capitalism. This all adds up to diminishing social and public services in the pursuit of profit.

After the 1970s oil price shocks, other bodies coordinate capitalist policy: the G-7, G-20, Davos World Economic Forum. Heydon (2024) outlines how the USA weaponised trade and payment systems. Thirty-nine countries are currently sanctioned by the USA and its allies, a third of humanity. Worryingly, the same people are in command of NATO, the 5-Eyes intelligence network (Kerbaj 2022), and the hundred or so smaller alliances promoting ‘freedom’—otherwise known as US imperialist dominance. USA policies of near-shoring, friend-shoring aim to create trading blocs, isolating China, exactly the opposite route to the cooperation necessary to address global problems in the natural environment and rising inequality, a shared human destiny.

The WTO story confirms Sassen’s (2015) concern about upward delegation of power to international bodies (the European Union mostly imitates their club), who without accountability have imposed what became known as the *neoliberalism* on bodies prescribing aid, support and trade policies for developing countries. Aid, trade and economic development packages from these bodies come with conditionalities including low taxes and limited spending on public services, deregulated markets open to international competition, privatisation, open capital markets, acceptance of US-dominated intellectual property (IP) laws and use of the USA dollar for international payments and a currency exchange rate suiting inward investors. Rodik (2017a, b) argues the imposition of this package on developing countries poses a trilemma: only two of the following three are compatible (a) democracy, (b) national sovereignty and (c) economic growth and integration with the world economy. When imperialist countries shed crocodile tears about lack of democracy, they need to look to their own policies for the cause.

Rodik goes on to oppose nationalisation of public services, proposing instead market-based solutions. He bemoans high African wages (quoting US\$ 2,111 per year in Kenya), praising lower Ethiopian wages (US\$ 909 per year) as attracting multinationals, preferring the Bangladesh average of US\$ 835. For Rodik reducing living standards in support of multinationals profits and *reducing* public services is the route to prosperity! In contradictory mode, Acemoglu and Robinson (2002) argues that Africa need more investment in education, however points to Ford’s withdrawal from South Africa as the result of low productivity. Roth (1987) too called for a depleted public sector and more use of private services.

Other institutional pressures from international capitalist institutions distort economic development. Firstly, what Chang (2005) terms *kicking away the ladder*. Policies successfully used by developed countries are denied today’s developing states, these include protection of infant industries, tariffs encouraging import substitution, state aid, etc. Secondly, policies that result in what Rodik (2017a) terms premature servicization (*too much fluff, not enough stuff*) adds to the challenges of economic development by limiting manufacturing, which constrains export earnings (services being more difficult to export) and often use IP owned and licensed by developed country clusters (Dasgupta and Singh 2006; Naidu et al. 2020). These policies distort development, thereby Nayyar et al. (2020) argue, limiting state resources for public services.

Traditional arguments that investment in education and public services (especially infrastructure) are the route to balanced economic growth (Galbraith 1963; Goldin and Katz 2008) clash with neoliberal policies of low-tax and low public spending. Neoliberal policies distort development and as Milanovic (2016) finds, create social conflict arising from inequality.

7.3.2 *Africa's Low Economic Development Level*

Chang's (2005) analysis of post-1945 economic growth in Africa finds that overall while developed countries grew by around 3%, African countries grew at half that rate (1.4%). How can this be in a continent blessed with natural resources and a young, aspirational population?

Since 1998, the WB policy package for African states, *Millennium Development Goals*, emphasises health and education, while insisting as Batley and McLoughlin (2010) note, on low public expenditure. As Garrett (2007) noted, even major philanthropy bodies increasingly prefer activity outside of international bodies. Collier's (2008) bottom billion are still with us, despite half a century of 'aid'. Only Japan and South Korea have joined the elite group of rich nations since 1945, both benefiting from supplying the USA with military technologies and in turn receiving advanced technology transfer. Instead of recognising that comparative advantage is really advantage for imperialists enforcing raw material or low-waged manufacturing as part of trade deals, issues of governance are often emphasised (Grindle 2011), however, this conflicts with policies incentivising inward capital investment (Acemoglu and Robinson 2002), especially in financial services (McLoughlin and Batley 2012) while claiming to encourage indigenous development, and bemoaning corruption when perpetrating it by supporting corrupt elites (McCourt 2007; Keefer and Khemani 2003), South African and Nigeria are sometimes cited as examples of international companies corrupting indigenous political and economic processes.

41% of Africans now live in cities, many cities suffering jobless growth with 50% of under-30s unemployed. Of the 382-million workforce, 42% work in agriculture, 18% in hospitality and retail; while in 2020, 72-million jobs were created, the young population grew faster. With only half getting secondary education, productivity remains low and wages high relative to Asia. Manufacturing is declining rather than expanding, confirming Rodrik's servitization thesis. The oil exporters have the highest GDPs (Algeria, Angola and Nigeria), however with underdeveloped other sectors. Poor countries (DRC and Sierra Leone) with the highest percent on below US\$2/day remain agricultural. Transitioning countries (Ghana, Kenya, Senegal and Tanzania) have 65% exports agricultural or resources and rapidly expanding service sectors. Few join Egypt, Morocco and South Africa with diversified economies.

Low economic development results in a small social surplus available for public services. Added to this a third of African private wealth is held in tax-havens, or (Egypt) invested in property for rent. This is Milanovic's (2016) point about the

indolent middle-classes. It is said that \$90-billion illicit funds flow out of Africa each year from oil and corruption—approaching 5% of African GDP. Lewis's (1954) *dual economy* (capitalism in the cities with pre-capitalism in agriculture) is not working, growth being driven by domestic consumption rather than investment, and the tipping point (low-cost agriculture labour availability) rapidly being reached.

Before leaving Africa it is worth reflecting on some achievements by Africans. The list might include South Africa's AHRLAC reconnaissance light aircraft; wearable clothing that signals disease from 3D printing in Johannesburg; the continued success of Kenya's MPENSA mobile banking; Uganda's fashion growth using local cotton and Lamu handbags from Kenya, Nairobi's IBM healthcare R&D centre staffed by Africans; and 50 km radius WiFi signalling. Having inherited six universities from colonialists, Africa now has 500. Increasingly the 30,500-kilometre coastline is being exploited for tourism. Botswana stands out as progressing and stable though over-dependent on diamond exports.

7.3.3 *African Development and NPM*

The ghost of colonialism continues to haunt Africa. Jerven (2010) argues that African modernisation and industrialisation would have continued had it not been for the genocidal slave trade and colonisation. Rodney's (1972) *How Europe Underdeveloped Africa* makes the strong case for reparations from colonialists; instead Britain, the USA, France, Germany and Belgium continue to extract value from Africa. African underdevelopment is the result of what Carchedi and Roberts call twenty-first century imperialism. Without game-changing investment in job-creation education, infrastructure, healthcare and universities many African countries will remain value exporters.

Trade arrangements with developed countries impose contradictory pressures. As Batley et al. (2012) note, democratic pressures demand public services, while external pressures demand investment suiting inward investors. Hood and Peters (1995) point out that developing countries need competent not small government, meaning Brinkerhoff and Brinkerhoff (2015) argue that the privatisation and austerity agenda of NPM actively harms development, what Evans and Wolf (2005) called *institutional mono-cropping*. Grindle (2007) makes the point that governance arrangements isomorphically aping those in developed countries are often unsuitable: good-enough governance or governance-as-legitimacy may be a better goal for developing states. Building capacity and educating young people are better priorities than allowing MNCs to dictate policy, especially when as countries such as Botswana illustrate trust relations create better economic relationships than imposed contracts. Sachs and Warner (2001) and Jerven (2010) argue that Africa's state institutions inhibit manufacturing and perpetuate low industrialisation and poverty. Hewett and Montgomery (2001) argue that inadequate public services compromises health, hinders economic growth, and stymies efforts to reduce poverty, with wide

gaps between urban and rural public service provision: neoliberalism and NPM set never-ending traps for public services in developing states.

Critiques of neoliberalism by Peck and Theodore (2012), Burns (2014), Brick (2014), Cahill (2014) and Solow (2012), Shaffer et al. (2019) predict immiserising growth, an hour-glass society, with a greatly expanded lumpen-proletariat in the industrial reserve army of labour.

7.3.4 *Non-European Capitalist Countries*

Galbraith (1963) described the USA as *private rich and public poor*, referring to the low level of public services. Today the mixed economy of welfare includes public schools, Medicare and Medicaid (free/low-cost public entry-level healthcare) and Temporary Aid to Needy Families with (since Clinton) welfare-to-work incentives (Katz 1996, 2008). The working poor get tax credits and 60% private health insurance. As Bellah et al. (1996) notes, the 12.5% of USA adults participating in voluntary organisations make a significant supplement to state support to children and adults living in poverty in the USA.

An interesting, non-Marxist approach is Vollrath (2020) who argues that the twentieth century growth rate averaging 2% will be down to 1% in the twenty-first century, giving empirical data from the USA economy. He explains the lower growth (with obvious impacts on public services) as follows:

- −0.80 Smaller families and ageing
- −0.20 Shift to services
- −0.15 Decline in reallocation (increased market power)
- −0.10 Decline in geographic mobility
- −0.00 Taxes, regulation, inequality and China trade

This is a non-Marxist exposition of growth, not profit decline and crisis. He says $Y + M = C = I + G + X$ determines growth (income, imports, consumption, investment, government spending and exports). Looking beyond the declining rate of profit as the result of insufficient profitable investment opportunities, Vollrath poses interesting issues around demographics and sectoral change. For Marxists, growth occurs when capitalism enjoys profitable investment opportunities serving capital accumulation, thus Vollrath's figures are symptoms rather than the causes of slow growth.

Japan's *productivist* (Holliday 2016) welfare is family-based (65% elderly live with children) and low benefit levels. Only 14% of GDP is spent on social welfare (20% EU average and 33% Sweden). 44% of Japanese women over-65 live in poverty. As Konosuke (2002) notes, with an ageing society, half of the spending goes on pensions, supplemented by work-based pensions for those in large companies. Means-tested public assistance programmes cover basic living and housing costs (Sagiri 2016). Basic healthcare is free.

It can be wrongly presumed that economic growth is accompanied by a rising quality, scale and scope of public services, as verified by the cases of Japan and the USA, where political choices constrain public services, leaving individuals to sink or swim depending on personal wealth.

7.3.5 *Contrasting African, Asian and South American Public Services*

Referencing Sect. 6.3.2 and leaving discussion on public services in China until Chap. 19, some contrasts are clear. While in the USA, public services target poverty (Medicare and food stamps), in Africa most spending is on unemployment benefits/urban poor: USA policies are workfare, incentivising re-entry to the labour market, African policies implicitly recognise the absence of employment opportunities. Not so overall in Asia, where welfare policies remain productivist and family-based: incentivising labour market re-entry or long-term support from the wider family. In the USA, Africa and Asia, the scope of welfare transfer payments and public services general is narrower than in Europe, especially areas such as long-term care, childcare and mental health. NPM attacks on public services are discernible in the USA, Africa and some Asian countries (not China). No instance of healthcare services approaches the social medicine (root cause in social conditions advocated by Waitzkin et al. 2021) except arguable the Nordic arrangements, even here NPM is being used to attack public services.

Hills's (2015) study of education in the USA, England, Turkey, Greece and Ireland testing Marx's immiseration thesis finds evidence that immiseration is indeed occurring: neoliberalism is making sections of the population poorer, including in advanced countries living in poverty. Instead of seeking collective solutions to collective problems, such as healthcare, education and a clean environment, neoliberalism insists on individualised, market solutions. Wealth and health are reunited having been separated by welfare states. Where PV existed, it is being replaced (via privatisation or use of capitalist methods in public services) by for-payment, for-profit, non-mutual services, inaccessible to many in the bottom third of the population.

7.4 Internationalisation of Neoliberalism and NPM

An extreme vision of an *enabling state* that met once a year to issue contracts to the private sector, by Osborne and Gaebler (1993) spurred many in public services to think about efficiency: the privatisations of Reagan and Thatcher were not "one-offs" but rather becoming embedded and legitimated by Swedish Social Democrats and codified by Hood (1991). NPM became conditions attached to loan packages

from imperialist institutions: WB, IMF and (as China found) WTO accession. In short, Giddens (1984) noted, as globalisation extended, so too did NPM with Manning (2001) noting how its adoption in developed countries legitimated its imposition in developing countries (supporting Commons 1998). This despite Sarker's (2006) finding that creating public services rather than efficiency is the challenge in developing countries. As Luke et al. (2011) note, the diffusion of NPM small state often occurred before a mature state had evolved, though in other cases, hybrid NPM was tokenistic. Hood argued NPM was politically neutral, and Giddens that it was third way, however for people in developing countries watching health and education service being cut and privatised, there was no neutrality. NPM represented the dead hand of neoliberalism and imperialism, making expansion of public services even more difficult. What did Marx and Marxists have to say about NPM and the neoliberal state?

7.5 Marx, Marxists and Neoliberal Public Services

7.5.1 *Social Murder and Social Medicine*

Engels' *Conditions* describes conditions in industrial Manchester as *social murder*, akin today to overcrowded refugee camps in which seven-million people currently languish. He speaks of demoralisation and insecurity, housing being filthy shelters neither warm nor comfortable, sharing beds with strangers, the diseases of poverty (rampant, children with insufficient clothing and unwholesome dwellings). At an even lower level, Irish immigrants too suffered *social murder*. The preventable diseases still unnecessarily killing people include tuberculosis, measles, pertussis (whooping cough), polio, diarrhoea, pneumonia and malaria and HIV.

Virchow's (1848) studies in industrialising Berlin paint a similar picture, TB and Cholera at epidemic proportions. In Silesian mining areas, he found asthma and an average life-span of 35-years. Engels and Virchow's findings form part of Waitzkin et al.'s (2021) justification for *social medicine*. Instead of medicalising care with pharmaceuticals produced by monopolies, they call for action against the social conditions causing ill-health: industrial diseases, lack of clean water and poor clothing. In his 1931 *Threepenny Opera*, Brecht chides doctors saying, why examine our bodies, when all they need to do is look at our clothing to see what is wrong with us—poverty! Making this point, Wallace, Darwin's student, campaigned amongst London's poor for social medicine around 1890 (Scarpelli 1992; Fichman and Keelan 2007). Socialists in Scotland in the 1930 campaigned against vaccinations and fluoridisation of water: making the point the social not medication interventions were necessary.

Waitzkin et al.'s call for social medicine, addressing the social causes of ill-health was taken up by a young Chilean Senator from the 1950s onwards, tirelessly campaigning for improved social conditions in conjunction with healthcare. When

elected President in 1970 as head of the Popular Unity government Salvador Allende continued his campaign advocating the *Chilean Way to Socialism* including nationalising healthcare making access free and mass programmes of house building. Though elected by a democratic majority, in a CIA-sponsored coup in 1973, he was murdered (Gabriel 1995), the campaign for social medicine temporarily dying with him. Levins and Lewontin (2009) support Waitzkin, criticising the reductionism behind the medicalisation of disease arguing instead for taking Soviet researchers seriously, such as Vernadsky's concept of the *biosphere* emphasising how parts of the natural environment (farm fertilisers and insecticides), industrial diseases and social conditions. Wallace (2016) in *Big Farms, Big Flu* warns of zoonotic transfer from industrial production and processing of animals such as pigs and hens: social conditions and choices perpetrating diseases that kill, such as Covid. Often they point out, the giant poultry farm may be in China or Turkey, while the funders are safely ensconced in New York banks.

Since the 1840s Communist League (Virchow was a member and imprisoned for his agitational work), Marx and Engels campaign for reduced working hours, education for all, progressive taxation, joining left-Chartist and left Trade Unions (first International) campaign for public service reforms. In his inaugural speech to the first International, Marx proclaimed the necessity of public services. However, as mass Marxist parties grew, they became concerned that the fight for reforms was degenerating into reformism (see Chap. 18). Leaders of the German Social Democratic Party (SDP) such as Augustus Bebel had opposed Bismarck's social laws arguing they entrapped workers into an anti-democratic autocracy. The Erfurt Programme SDP demanded important reforms such as the 8-h day, workplace inspections, equality of agriculture and domestic with industrial labour and workers control of social insurance. However, as Marx pointed out, it contained no transitional route to power. By 1910, Kautsky had become an irredeemable reformist, supporting the 1914–1918 war and the murder of the 1919 German revolutionaries including Rosa Luxemburg and Karl Liebknecht.

For Marx and Engels, *social murder* of workers by the conditions created by capitalism was an unpleasant reality underlining their support for programmes of material public services alleviating suffering and showing what the world of UVs looks like.

7.5.2 Welfare Economics

O'Connor's study of the *Fiscal Crisis of the State* (1973:6) argued that *the capitalist state must try to fulfil two basic and often mutually contradictory functions—accumulation and legitimisation—efficient accumulation and acceptance by all social classes—concluding that the capitalist state has a dual and contradictory character*. For O'Connor, some public services (e.g. education and training) support productive activity, others buy legitimacy (cultural activities). His view was that transfer payments ambivalently support reproduction (childcare benefits) while

others *pacify and control the surplus population*, for example retirement pensions. While seemingly functionalist, O'Connor historicises welfare capitalism as a phase of development being (a) dominated by large corporations operating in monopolistic industries generated more inequality and (b) deliberately targeting how economic and social imbalances are perceived as caused by companies, government agencies and Unions and not inherent to the capitalist system. For O'Connor, welfare and public services are both the cause and effect of the expansion of monopoly capital (1973:8), noting that rising levels of spending on public services only adds to the capitalist crises. Welfare and public services from this viewpoint create the contradictory results of stability and instability, O'Connor's analysis presciently foretold the rise of NPM attacks on public services.

7.5.3 *Interpenetrating Connections*

Public services rely for their affordability in capitalism on sufficient social surplus and the ability of the working-class to exact concessions from capital. Neoimperialism and neoliberalism are both international, both seek to weaken the labour movement and erect institutions and policies that divert value-flows towards international capital, including low taxes and minimising expenditure on public services. Just as the reach of neoimperialism and neoliberalism is international, so too the national and international struggles for socialism are inseparable including social medicine, socialist solidarity. Sadly, there was little evidence outside of socialist countries of pressure to equitably distribute Covid vaccines or industrial action preventing the export of weapons to war zones. These challenges facing socialists are always best addressed in campaigns around concrete issues, rejecting idealism such as racist ideology around immigration or supposed 'national' interest in wars.

Day and Gaido (2009) note that Marx and Engels made frequent references to the *permanence* of the socialist struggle. Marx and Engels clearly connected permanent struggle *within* a national revolution with permanent struggle to *internationalise* revolution. This is the point on which Marx was to privately criticise the Commune leaders in 1871 and Engels' reasoning behind rejecting the SDP's reformism when criticising the (1891) Erfurt programme. *Revolution in permanence* can be found in the works of Lenin, Luxemburg, Trotsky, Kautsky (when still a Marxist), Ryazanov and many others. Lenin for example, recognised that Russia's exceptional position of feudal institutions but a growing proletariat, might conquer power, however, isolated without permanent revolution brought grave dangers. In recent years, we have seen revolutionary permanence in the 'colour' political revolutions in Eastern Europe, and the Arab Spring revolts (mostly unsuccessful).

For now, it is important to note the national-international connections the socialisation of capitalist production brings, its ability to exploit workers across the globe, interpenetrating its ways-of-working using foreign direct investments. Neoimperialism and neoliberalism as Carchedi and Roberts (2021) argue are

inseparable. Similarly, the tendency for capitalism's rate of profit to fall is both national and international.

7.6 The Tendency for the Rate of Profit to Fall

This section examines the important issue of the tendency of the rate of profit to fall, a foundational point for Marx and Engels, noting immediately that Marx's rate of profit is abstract based on labour value and not accounting rate of profit based on (often fictitious) costs and revenues. As the discussion above has highlighted, the ability of capitalism to concede public service gains in part depends on their success at accumulating profit. As the rate of profit declines public services spending is resisted and using NPM reversed; capitalists seeking to shift not-for-profit public service functions and assets into the for-profit sector. Understanding why the rate of profit tendentially falls and empirically establishing that the rate of profit is currently falling is there of utmost importance for Marxists.

This section summarises evidence for a tendency for the rate of profit to fall from Roberts and Carchedi, Enfu Cheng President of the Academy of Social Sciences (CASS), and Rotta et al. at Goldsmiths, University of London—some of the leading political economists. For Marx,

... it follows that the portion of living labour, unpaid and congealed in surplus-value, must also be continually on the decrease compared to the amount of value represented by the invested total capital. Since the ratio of the mass of surplus-value to the value of the invested total capital forms the rate of profit, this rate must constantly fall. (Marx, Capital-V:III:236–237)

7.6.1 Why Does the Rate of Profit Fall?

If neoliberalism brought a rising rate of profit, it would have less need to seek profit-making opportunities from public sector assets and functions. It is because capitalism faces a falling rate of profit that it seeks profitable investment opportunities from public sector activities. Capital-V-3 Chaps. 13 and 14 lays out Marx's theory of the tendency of the rate of profit to fall, Table 7.1 summarises his argument.

7.6.2 Roberts and Carchedi: Marxist Economists

Marx's theory is best interpreted today in the work of Roberts and Carchedi. Roberts and Martin (2018) and Roberts (2020a, b) biographies of Marx and Engels are a good read. Roberts (2016) (2016 USA rate Table 7.1). Carchedi (2012) and Carchedi and Roberts (2009). Carchedi and Robert's (2023) *Capitalism in the Twenty-first*

Table 7.1 Factors influencing the tendency for the rate of profit to fall

1	Only labour creates value (working on natural artefacts (the <i>free gifts of nature</i>)).
2	The capitalist pays labour at a rate allowing the reproduction of labour (SNLT). If labour is weak (as in developing country supply chains, see Smith (2016), capitalists may pay below SNLT.
3	Struggle by workers for an increased share of their value created.
4	Abstractly the rate of profit is $s/(c + v)$, i.e. the surplus value (s) as a proportion of the constant (c) and variable capital (v) creating the commodity (MECW:37:Cpt-3). only with a M-C-M' cycle is capital circulated and SV realised on the market, only with a visible stock of capital and SV expropriation is the capitalist able to accumulate of additional constant capital for the investment cycle with money itself priced in labour time (Carchedi and Roberts 2023).
5	The capitalist extracts surplus value (SV) the value of the commodity above the average of socially necessary labour time paid to labour. SV is realised by selling commodity on the market (at roughly their labour hours value) being paid to the capitalist in money form.
6	Adding SV to recovered constant capital, the cycle recommences with C + SV (less capitalist consumption and taxes). Constant capital is dead labour accumulated over years.
7	Profit levels are lower if taxed, e.g. to pay for public services.
8	Profit can increase by increasing the intensity of labour, technology, adding higher performance technology, reducing the cost of raw materials or mergers integrating processes; these Marx calls counter-vailing tendencies. Their availability means profit decline is secular, i.e. a long-term tendency. Capital-II points to speeding up of turnover cycles as one way of counteracting falling profits.
9	Competition impels capitalist to add productivity-enhancing technology; rising OCOC.
10	The more technology/automation, the less (value-adding) labour: profits fall.
11	Capitalism can benefit from neoimperialist pressures on developing countries to lower the price of raw materials, including vertically-integrated ownership of primary producing companies.
12	Knowledge, even if intangible, is material. Must be employees of capital to create SV (Carchedi 2012).

Century is the best Marxist analysis of current imperialism and exposition of the TRPF with Marx and Lenin's framework of imperialism.

Falls in the rate of profit result in capitalist crisis characterised by an absence of profitable investment opportunities and therefore laying some capital to waste while other capital *lies fallow*. Note that for Marx (V-1:770). *The rate of accumulation is the independent, not the dependent variable; the rate of wages [and employment] is. The dependent, not the independent variable*. Imperialism they argue while continuing to feature the export of capital is now aided by neoliberal institutions allowing value transfers from developing economies by (a) unequal exchange resulting from currency seigniorage; (b) income flows from capital investments; (c) unequal exchange through trade and (d) changes in exchange rates. Paying poverty wages is

not an independent variable, as Smith (2016) argues, but a cost included in the rate of profit.

Carchedi and Robert's (2021) and Roberts (2016) detailed figures show that since 1948 profits rates tendentially fell, with an upturn between 1982 and 1997 resulting in the long depression that continues including the 2008 crash. Overall their figures show that between 1948 and 2014 investment in automation increased the dead labour content of capital (the organic composition of capital, OCOC) from 1.4% to 4.6%, meaning that less living labour is employed, the source of value, explaining why the rate of profit has declined from 17% to 7.6%. These are overall figures, the point being that since investable opportunities for capitalism having declined, attention turns to lowering wage costs by attacking trade unions, precarious employment and fictitious capital investment.

Post-profit costs can be reduced by lowering taxes (by spending less on public services) as Harvey (2005) notes. Piketty (2013) proposed 1.7% wealth tax on assets above \$3-million (3.5% above \$10-million) would raise some \$10-billion, a commendable reformist measure, however leaving \$454-trillion global wealth of the wealth intact and continuing when invested to exploit workers.

7.6.3 *Enfu Cheng: The Chinese Marxist Perspective*

Enfu Cheng et al.'s (2005) value analysis of the Chinese economy and imperialism is both theoretical and empirical. Achievements he says are *unparalleled in the history of capitalism* guided by CPC leadership and Marxism, fitted to Chinese context and culture.

Cheng and Wang (2003) note that the LTV continues to apply in socialist market economy (early-socialism) characterised by diverse ownership, with distribution often determined by labour hours worked. Wei (2000) LTV continues to apply in service economy. Wu et al. (1998) LTV universally applicable circuits of capital occur in underdeveloped mode of production. Cheng et al. (2005) took Marx's position that labour contributing to value creation is productive. LTV says labour only source of V; this is a unitary theory; so, includes management contribution and creation of intangibles and wider science and technology contribution. Su et al. (2006) also rejects bourgeoisie trinity theory; same Wu et al. (1998). Cheng Enfu (2019) S&T if not attached to living labour does not create V but does increase efficiency of living labour.

Distribution by hours not part of LTV Li Qiqing (2001). Zhou Xincheng (2002) production and distribution different systems, latter depends on social relations of reproduction, Cheng Enfu (2019) agrees: distribution by hours is a political decision not dictated by LTV. Exploitation Cheng (2019) says, continues in private sector in China and the state sector needs to match internationally-competitive productivity levels. Social distribution criteria use Deng's 'three favourables' (a) growth of productive forces, (b) increasing strength of socialist state and (c) raising people's living standards. Labour is *night watchman and regulator*.

Capitalists pursue SV, not V or PV; relative SV increases in direct proportion to productiveness of labour while value diminishes in same proportion (as OCOC rises). Average socially necessary labour time (SNLT) to create labour varies with its complexity, including (a) average proficiency of workers, (b) level of S&T and its application, (c) integration of society and production; (d) scale of efficiency and (e) natural conditions, i.e. both objective and subjective conditions. Capital V-I:359 productive labour is a relationship between labourer and capitalist, i.e. production of SV not V. Value sold on market is $C + V + S$ (S being from absolute or relative SV). (132) Sun Yat-Sen *control private capital and develop national capital*. For Vogel (2011:110), *the fundamental purpose of socialism is to realise common prosperity, rather than class polarisation*, Cheng (2016) says. Distribution is best done by using the 3-represents rather than distribution by contribution of labour hours. Note that the labour theory of value is the basis of Marx's scientific analysis of capitalist processes and Damsma's (2020) point that unlike idealist theory (including bourgeois economics) Marx's theory is a robust qualitative *and* quantitative framework, migratable into models as Cheng and Roberts and Carchedi show.

Density time = labour intensity + complexity. V (unit value), Q (quantity of UV), T (labour time), P (productiveness of labour), hence $V = T/Q = 1/P$ Labour productivity may vary with SNLT (up/down) or density of SNLT.

The International Working Group for study of LTV note that Marx is not represented by Bortkiewicz and contested rate of profit predictions; his general equilibrium assumption is just wrong. Before analysing circulation, we need to know what product is produced and of what value and why for King (2018) and Freeman and Kagarlitsky (2004) global trade is migrating towards two large economic blocs.

Other Chinese Marxist contributions include Bin Yu's (2016) conclusion supporting the TRPF reminding us that the mass of profit can rise while the rate of profit falls, a result of some capitalists continuing to trade at below average profit, for example by retaining labour even when automating and increasing OCOC. Xie and Wang (2016) calculated the profit rate in the USA finding the average profit rate of the USA was 8.35% during 1975–2008, and the median is 8.53%, which are both lower than the average profit rate and the median (10.61% and 10.53%) during 1952–1974.

7.6.4 Rotta and Kumar: Was Marx Right?

Drawing on data from 43 countries 2000–2014 across 56 industries, Rotta and Kumar (2024) find the OCOC outpaces the rise in profits leading to a declining rate of profit. They also correlate declining profits with rising unproductive capital, i.e. finance, retail, property and fictitious capital. Isolating the productive sector allows

their analysis to pick out new profit creation which peaked at 13.7% before the 2008 crash, declining to 12.7% by 2014, saying *The decline in the world rate of profit was therefore driven by the faster growth of the global c/v compared to the growth in s/v , as Marx expected.*

They find that China's global value-added share increased from 5.3% to 19.3% in a 15-year period, during which the USA's share fell from 30.1% to 22.3% and Japan's from 16.3% to 6.7%, Germany falling from 6.6% to 6.0%. China's stock of productive capital increased from a 6% share to 23.6%, the USA falling from 24.8% to 17.4%, Japan 21.2% to 8.8% and Germany from 6.5% to 4.6%. USA rentier income indirectly taking a share of SV created in China remained high.

Marx predicts the most advanced countries will be characterised by high rates of SV, high OCOC and low rate of profit. Yet SV rate was higher in poorer countries reflecting their relatively lower wages.

Roberts (2016) suggests Rotta's findings affirm those with Carchedi (2012) on higher OCOC in advanced countries and higher rates of SV in developing countries, though disputes Rotta's conclusion that wage differentials cause super-exploitation, since the cost of SNLT to reproduce also varies.

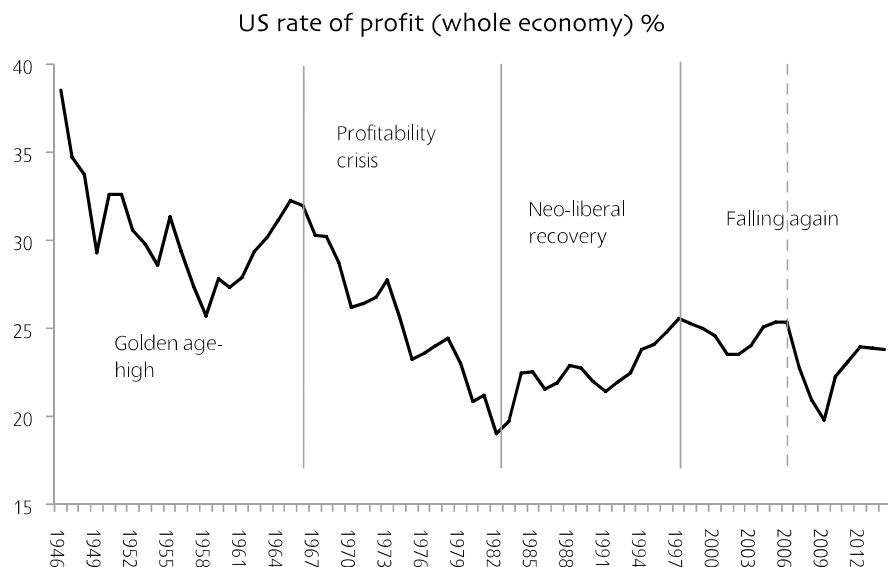


Fig. 7.1 Post-1945 USA rate of profit

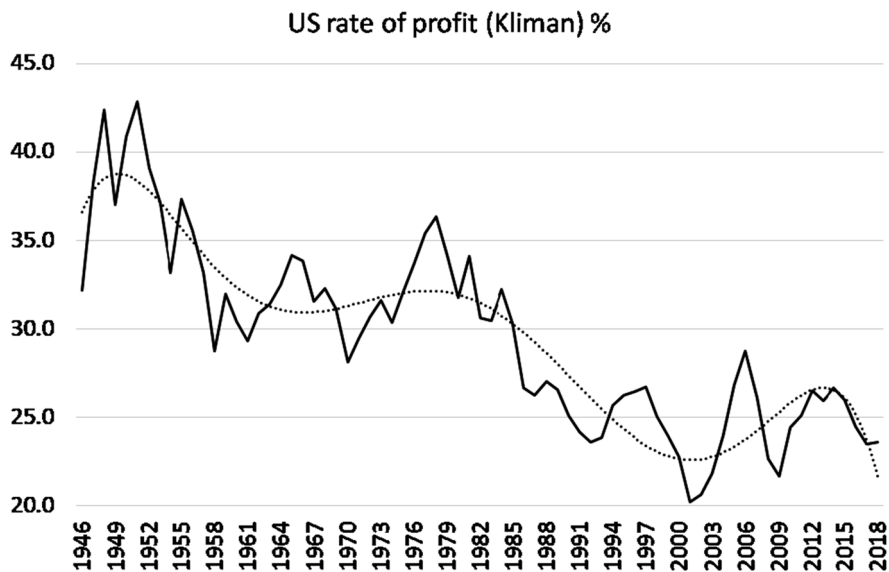


Fig. 7.2 Kilman (2011) rate of profit

7.6.5 Other Marxist Studies

Kilman (2007, 2011) arrives at a similar rate of profit to Roberts (Fig. 7.1) using a method based on time circuits of capital (temporal single-system interpretation (TSSI)). He defends Marx's approach against Sraffa, while rejecting the LTV and favour an under-consumptionist explanation of crises. This follows Luxemburg (1901) and Dunayevskaya's (1982) heterodox-Marxist view that insufficient demand for commodities causes crises (Fig. 7.2).

Paitaridis and Tsoulfidis (2012) find evidence for TRPF. Using USA data, they identify non-productive areas of rising profits (mainly fictitious capital). Shaikh (2016) concludes by endorsing Marx's TRPF but using simultaneous valuing of input and output and claiming LTV remains valid BUT, he argues that *Marx after Sraffa* (Steedman 1981) dominated debates leading to the *disintegration* of Marxist economics. Mavroudeas (2018) criticise under-consumptionist theories of crisis (in which category they include Sweezy 1997) saying it is influenced by Keynesian aggregate demand theory, for example Minsky, and Hardt and Negri (2009). They also criticise financialisation theory (Lapavistas 2013) and dependency theory as abandoning Lenin's imperialism, pointing out also that Marx's primitive accumulation related to colonial dispossession kick-starting capital accumulation and not as Harvey (2005) argues dispossession currently. King (2021) who presents evidence supporting the TRPF note China's increasing OCOC pointing out that 70% of exports are from foreign-owned companies who expatriate their profits, amounting to US\$ 250-billion per year. Criticising Amin (1972) unequal exchange, King notes

that value-flows from developing countries undermine bourgeois theory of comparative advantage, since over decades there has been no equalisation of profits.

Basu and Manolakos' (2013) empirical work supports a downward trend in the general USA rate of profit between 1948 and 2007. In later work (2018) on the 2008 crisis media representation, they find the dominant media narrative is whatever the problem, reducing low the size of the public sector is the answer. Troy's (1984) argument that the Soviet Union focused too much on individual consumption as opposed to collective public services and this undermined collective consciousness echoes O'Connor's (1973) point that insufficient social surplus was available for collective goods when the Soviets competed on military budgets with the USA; 2007 (1993) asks if capitalism more successful than Soviets, when natural limits to growth being exceeded.

There are masses of literature 'disproving' Marx: too much to review. Heinrich (2013) argues that Marx fails to note in $p = s/c + v$ that 's' alters over time, a superficial reading of Marx. Dumenil and Levy (2005) argue that the rate of profit differs between capital-intensive industries (railways and steel plants) relative to consumer-facing commodity producers. Bin Yu (2016) provides a mathematical proof of the TRPF.

Gough (1978, 1979) correctly argues that widening public services limits the reach of capitalism aligning with our argument that public services UVs delimit EVs, with widespread democratic planning portraying alternatives to capitalism. Lægneid and Mattei (2013) argues that a declining rate of profit and permanent austerity paved the way for fascism in the 1930s.

7.6.6 Post-and Non-Marxist Research on Falling Rate of Profit

Crucially, TRPF heralds crisis in the social surplus and public spending and as Jansson (2013) points out bourgeois politicians rarely present arguments for tax rises to improve public services and instead often boast about (for example) increasing defence spending, leaving unsaid the hidden cost of reduced welfare spending. Falling profit rates bring crises, as Lenin noted, the point then is who will pay the cost of the crisis, the answer often being those using public services.

Post-Marxist theories, by Marxists and non-Marxists are ten a penny, most academic journals love anything undermining Marxism as evidenced by Wang (2006), Zhou (2019), Dyer-Whiteford (2009), Böhm et al. (2012), Fuchs (2015), Xiao et al. (2013), Andrejevic (2015), Allmer (2016) and the profile given to Lapavistas's (2013) confusion of financialisation with the TRPF.

Audience Labour

Fisher and Fuchs (2015) lead the charge arguing that service users and not providers are the source of value: a direct opposite of both the labour theory of value and common sense. This approach has crept into Public Management studies by those citing neoliberal service theorists Vargo and Lusch (2008, 2014) and recently, Osborne

(2018, 2020) followed by several public management theorists including Cui and Aulton (2023), Dudau et al. (2023), Trischler et al. (2023). The LTV is abandoned as is any case public sector worker make to be paid for the value they create. Only the audience creates value: the patient not the doctor, the student not the teacher. The Marxists in this school often build on Lebowitz (1986), the public management theorists uncritically and perhaps unknowingly take Vargo and Lusch's neoliberal stance. Part of the confusion here is around the commodity. For Marx, the UV and EV are the product of labour working with natural artefacts, including services (all of which have some degree of tangibility). Audience labour is yet another post-capitalism theory and sits neatly with neoliberal ideas rejecting labour as the source of value. While presenting themselves as Marxists (of the post-Marx variety), Fuchs and Fisher and their audience labour colleagues forget a basic point made by Marx that EV production occurs only in the employment of capitalists, whereas Fuchs, etc., wrongly argue that that value is created in exchange not production and by confuse UV production with EVs.

Lapavistas' (2013) *profiting without production* argues that crisis no longer occurs because of TRPF and over-accumulation of capital but because of over-accumulation of fictitious capital, i.e. investment in financial products (derivatives, etc., or rights to natural capital exploitation: a claim on future, yet-to-be-created value) that are disconnected from the material world (think of the USA sub-prime mortgage financial instruments). His argument that profits did not decline before 2008 is plain wrong. His theory echoes Hilferding's *Finance Capital*. Marx noted the growth of fictitious capital and profit from trade (TSV V-III:487), however returned to the basic point that SV arises from expropriation of labour, whether manufacturing or service commodity producers.

Lebowitz (2003, 2010) discovers that Marx writes capital from the viewpoint of the capitalist. Marx and Marxists always understood this to be the case—Marx is revealing how capitalism works, the working-class features as an active agent resisting exploitation, the star of the show however is capital and its accumulation. Lebowitz (2011a, b, 2012) goes on, in dispute with Fine (2008) to argue that the working-class is side-lined in Marx's work. Frankly, this is a ridiculous criticism of Marx who's every work promotes working-class struggle; outside of academic circles the criticism would be laughed at.

Haskel and Westlake's (2018) *capitalism without capital* forgets that services are commodities and labour in them as exploited as labour in manufacturing. Kaivo-Oja et al. (2024) cites Shostack (1977) and Baumol and Bowen (1986) who point out that all commodities are a continuum of physical and intangible parts. Whether more or less tangible makes no difference to Marx's value analysis of commodities the expropriation of SV. What is different can be distributed workplaces posing challenges for Marxists on creating collective consciousness. Haskel and Westlake obfuscate Marx's value analysis of commodities.

Marini's (1973) super-exploitation thesis argues that differential wage rates (at or below reproduction level in developing countries), as Smith (2016) verifies, are the principal determinant of rate of profit in unequal exchange with imperialist countries. For Marx, super-exploitation is not reducible to low wages. Carchedi and

Roberts (2021:134) alternatively argue that wages do not need to be below reproduction levels for exploitation to occur, which instead is the result of currency seigniorage; income flows from capital investments; unequal exchange through trade; and changes in exchange rates. The direct impact of imperialism may be felt as low wages, however, as always we need to dig below the visible to identify the value-flows causing the low wages.

In various works, for example (1974) Hodgson rejects Marx's TRPF recalling Bortkiewicz's criticism relating to general and average rates-of-profit and the supposed 'problem' of transformation value into price. Hodgson argues that Marx's assumption that OCOC rises is unfounded, citing Blaug (1960) on innovations that reduce capital spend or (Solow) perverse production functions (not simply substituting labour by capital). None of these exceptions disprove the rule: capitalists automate to save labour costs and automation increases OCOC and leads to a TRPF. Brenner (2006) argues that excessive international competition (over-capacity) has resulted in a long-term (since 1973) decline in profits. This is a Keynesian (over-supply) argument the resolution of which leaves capitalism intact.

7.7 Summary TRPF

Our aims for this chapter were to unpack the neoliberal state and public services: LO-7.1 working-class power to create and defend public services, LO-7.2 NPM as an instrument of neoliberalism and LO-7.3 implication for public services of neoliberal state. We have emphasised throughout, underlined by a long section on the TRPF, that a reduced social surplus leads directly to reduced public services and encourages neoliberalism to transfer assets and function from the state to the for-profit sector. Discussing the TRPF we conclude that any serious Marxist accepts the TLV and TRPF and Marx's conclusion that capitalism is unstable, and crisis ridden.

Although not discussed here, we note that part of the transfer of public assets neoliberal target are natural capital assets held by the private sector and some of the services currently being cut-back protect the natural environment (water-way and wetland protection, hygiene and waste disposal regulations).

Also not discussed is the growth of lumpen-proletariat expanding the ranks of the industrial reserve army (IRA) of labour with people in and out of work, often poorly educated and open to populism: delivery drivers being an example. Standing (2011) refers to a *precariat* a new term for Marx's IRA. Capitalism has always used zero-hours work (dockers, building workers and contractors). Globalised capital now extends the IRA to an international reach exemplified by the contract workforce in UAE, Saudi Arabia and the USA) part of neoliberal capitalism's counter-vailing tendency against the TRPF.

To be clear, arguments favouring expanded public services are not an argument (*al la* Eduard Bernstein 1901) that socialism can be achieved by extending public services, capture of state power and dictatorship of the proletariat remain necessary steps for achieving socialism. Advancing from replacing dictatorship of the

bourgeoisie by dictatorship of the proletariat requires deep, active engagement by citizens in democratic planning process, achieving the 'rounded' persons envisaged by Marx in an era of socialist abundance. Reconceptualising UVs and PV brings to the fore of Marxian analysis, PV not found in Marx (because of the absence of public services) and aligns with understanding of neoliberalism, imperialism and the NPM attack on PV. From this perspective, public services and PV are not posited as a pluralistic special interest, but instead part of life-as-lived, problem-solving by workers drawn to collective rather than individual solutions to problems thrown up by life, such as healthcare, education, care and city services. Nor is PV and UV be confused with claims of abstract 'rights' since public services are the result of working-class struggles to create accessible collective services that would not be offered (or offered in different ways) if the result of top-down capitalist services deemed necessary to align social relations of reproduction with the needs of capitalist production. Instead, UVs limit the proportion of the social surplus accruing to capitalism, they represent gains fought for by the working-class.

7.8 Conclusions

The neoliberal state re-regulates markets and institutions altering interaction between mode of production and social reproduction as part of a response to a declining rate of profit. In this sense, deregulation is a myth: all markets need regulating. However, those organisations without legitimacy from markets planners being the core enemy but also including Trade Unions, democracy, professions stand in the way of neoliberalism re-moulding neoliberal state public services. For example, the state also makes more of the natural environment available as natural capital as investment portfolios and weakens environmental protection. Neoliberals have not reduced the size of the state in the USA or UK, nor seriously reduced taxes (though these have shifted from capital on to labour), making neoliberalism more pragmatic in practice than an ideologue like Hayek envisaged. In addition to shifting some of labour's share of national income to capital (especially fictitious capital), neoliberalism has reduced labour's social wage in the form of public services.

These responses include directly reducing labour's share increasing the SV proportion, this chapter has focused on the neoliberal using NPM techniques to migrate UV public services (constituting PV) into EV market commodities and reducing state spending on public services. Neoliberalism and twenty-first century imperialism are inseparable: the neoliberal state imposes unequal exchange on developing countries, capturing additional value-flows. By meeting fewer citizen needs and squeezing the planned not-for-profit arena of asset use and service functions, the neoliberal state sharpens capitalist contradictions visible in rising levels of inequality and immiseration. NPM and UVs into EV are central to neoliberal state strategies, leading naturally to discussion of UV creation and distribution by households, the 3S and some PPPs in the following chapters, showing the weakness of the labour movement to protect its previous gains. This is why Marx, Engels, Lenin,

Luxemburg, Trotsky, Kautsky (when still a Marxist) and Ryazanov understood that Russian conditions may allow revolutionary socialists to take power, using and retaining power requires, as Sect. 7.5.3 argued, *revolution in permanence*. Isolated revolutions can only move forward, as Preobrazhensky (1926) said at the pace of primitive socialist accumulation. China, however, is proving an example and now offers the trade and technology alliances smaller socialist states require.

Even dominating international and national institutions, neoliberalism faces the task of unravelling decades of public service advances: as the Swedish example (Sect. 7.2.3) illustrates these interlink and interpenetrate across a wide range of social norms and services. NPM successes illustrate the weakness of the labour movement, the power of the 'efficiency' ideology and the unaccountability of major international institutions, especially (Sects. 7.3.2 and 7.3.3) their ability to impose NPM norms and policies on Africa economies, contradictorily holding back the very public services investments needed to progress (education, infrastructure and healthcare). Perhaps then the great achievement of neoliberalism is supporting twenty-first century imperialism, revisiting Engels' *social murder* on Africans.

Neoliberalism and NPM are responses to the declining rate of profit, covered at length in Sect. 7.6. Fundamentally, as profit rates have declined and with it the social surplus, neoliberal asks the question, who will pay for the crisis. NPM has successfully answered, the working-class, losing public services by the transfer of functions and assets into the for-profit sector. This deprives the working-class of UVs that solve problems, aggregating as PV. NPM has been selective cutting transfer payments for non-workers (the disabled and young) while supporting minimum wages (sometimes with subsidy) and supporting mergers and company links into university applied research. Those suffering most from NPM are the lumpen-proletariat, as zero-hour contracts and flexible pay become the norm, policies also impacting on women members of the industrial reserve army of labour. We turn now to households producing UVs and importantly the role of women as value creators from within households.

References¹

- Acemoglu D, Robinson JA (2002) The political economy of Kuznets. *Rev Dev Econ* 6(2):183–203
 Allmer T (2016) Critical theory and social media. Routledge, London
 Amin S (1972) Underdevelopment and dependence in Black Africa—origins and contemporary forms. *J Mod Afr Stud* 10(4):503–524
 Andrejevic M (2015) Surveillance and alienation in the online economy. *Surveill Soc* 8(3):278–287
 Arrow KJ (1962) The economic implications of learning by doing. *Rev Econ Stud* 29:155–173
 Barker V (2018) Nordic nationalism and penal order. Routledge, London

¹To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, Capital is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of Capital. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Basu L (2018) *Media amnesia—rewriting the economic crisis*. Pluto Press, London
- Basu D, Manolacos PT (2013) Is there a tendency for the rate of profit to fall? Econometric evidence for the U.S. economy, 1948–2007. *Rev Radic Political Econ* 45(1):76–95
- Batley R, McLoughlin C (2010) Engagement with non-state service providers in fragile states: reconciling statebuilding and service delivery. *Dev Policy Rev* 28(2):131–154
- Batley RA, Mccourt W, McLoughlin C (2012) The politics and governance of public services in developing countries. *Public Manag Rev* 14:2
- Baumol W, Bowen W (1986) *Performing arts: the economic dilemma*. Twentieth Century Fund, New York
- Becker GS (1991) *A treatise on the family*. CUP, Cambridge
- Bellah RN, Madsen R, Sullivan WM, Swindler A, Tipton SM (1996) *Habits of the heart*. University of California Press, Los Angeles
- Bernstein E 1901 (1993) (Tudor translation), *The preconditions of socialism*. Cambridge University Press, Cambridge
- Blaug M (1960) *The methodology of economics, or how economists explain*, 2nd edn. Cambridge University Press, Cambridge
- Böhm S et al (2012) Greening capitalism. *Organ Stud* 33(11):1617–1638
- Brenner R (2006) *The economics of global turbulence - the advanced capitalist economies from long boom to long downturn, 1945–2005*. Verso, New York
- Brick K (2014) Behavioural economic applications to climate change mitigation and adaptation. <http://hdl.handle.net/11427/12709>
- Brinkerhoff D, Brinkerhoff JM (2015) Public sector management reform in developing countries: perspectives beyond NPM orthodoxy. *Public Adm* 35:222–237
- Broberg G, Roll-Hansen N (2005) *Eugenics and the welfare state*. Michigan State University Press, East Lansing, MI
- Brown W (2017) *Walled states, Waning Sovereignty*. Zone Books, New York
- Brugger B, Kelly D (1990) *Chinese Marxism in the Post-Mao Era*. Stanford University Press, Stanford, CA
- Buchanan J, Tullock G (1962) *The calculus of consent*. University of Michigan Press, Ann Arbor
- Burns H, Diamond-Vaught H, Bauman C (2014) Leadership for sustainability: theoretical foundations and pedagogical practices that foster change. *Int J Leadersh Stud*
- Cahill D (2014) Polanyi, Hayek and embedded neoliberalism. In: *Questioning the Utopian Springs of market economy*. Routledge, New York, pp 91–108
- Carchedi G (2012) *Behind the crisis—Marx’s dialectics of value and knowledge*. Haymarket Books, Chicago, IL
- Carchedi G, Roberts M (eds) (2009) *World in crisis – a global analysis of Marx’s Law of profitability*. Haymarket Books, Chicago, IL
- Carchedi G, Roberts M (2021) The economics of modern imperialism. *Hist Mater* 29(4):23–69
- Carchedi G, Roberts M (2023) *Capitalism in the twenty-first century—through the prism of value*. Pluto Press, London
- Carroll E (1993) Swedish austerity: benefits at risk. *Int J Health Serv* 23(3):475–482
- Chang H-J (2005) *Kicking away the ladder: development strategy in historical perspective*. Anthem Press, London
- Cheng E (2019) *China’s economic dialect – the original aspiration of reform*. International Publishers, New York City
- Cheng E (ed) (2016) *Delving into the issues of the Chinese economy and the world by Marxist economists*. Chinese Academy of Social Sciences, Canut International Publishers, Beijing
- Chen MMS, Liu Y (2014) Big data: a survey. *Mobile Networks Appl* 19(2):171–209
- Cheng E, Wang G (2003) Comments on current exploitation theory and reality. *Research on Mao Zedong and Deng Xiaoping’s Theory* 6:118–122
- Cheng E, Wang G, Zhu K (2005) *The creation of value by living labour—a normative and empirical study, vol 1*. Canut, Berlin

- Cheng E, Wang G, Zhu K (2019) *The creation of value by living labour—a normative and empirical study*, vol 1. Canut, Berlin
- Christophers B (2018) *The new enclosure—the appropriation of public land in neoliberal Britain*. Verso, London
- Collier P (2008) *The bottom billion: why the poorest countries are failing and what we can do about it*. Oxford University Press, Oxford
- Common RK (1998) Convergence and transfer: a review of the globalisation of new public management. *Int J Public Sect Manag* 11(6):440–450. <https://doi.org/10.1108/09513559810244356>
- Crouch C (2011) *The strange non-death of neoliberalism*. Cambridge University Press, Cambridge
- Cui T, Aulton K (2023) Conceptualizing the elements of value in public services: insights from practitioners. *Public Manag Rev* 2023:1–23. <https://doi.org/10.1080/14719037.2023.2226676>
- Damsma K (2020) *How language informs mathematics—bridging Hegelian dialectics and Marxian models*. Haymarket Books, Chicago, IL
- Dasgupta S, Singh A (2006) *Manufacturing, services and premature deindustrialization in developing countries: a Kaldorian analysis*. UNU-WIDER, United Nations University Research Paper, No. 2006/49
- Day RB, Gaido D (eds) (2009) *Witnesses to permanent revolution: the documentary record*, vol 21. Brill, New York
- De Long B (2022) *Slouching towards Utopia*. Macmillan, New York
- Downs A (1957) Economic theory of democracy. *J Polit Econ* 260–276
- Dudau A, Stirbu D, Petrescu M, Bocioaga A (2023) Enabling PSL and value co-creation through public engagement: a study of municipal service regeneration. *Public Manag Rev* 2023:1–28
- Dumenil G, Levy D (2005) Costs and benefits of neoliberalism. In: Epstein (ed) *Financialization and the world economy*. Edward Elgar, Cheltenham
- Dunayevskaya R (1982) *Rosa Luxemburg, women's liberation, and Marx's philosophy of revolution*. University of Illinois Press, Chicago, IL
- Dyer-Whiteford N (2009) The circulation of the common. Talk for the future of the commons series. University of Minnesota. <http://www.geocities.com/immateriallabour/witfordpaper2006.html>. Accessed 15 September 2020
- Eagleton-Pierce M (2016) *Neoliberal – the key concepts*. Routledge, London
- Ermisch J (1990) *Fewer babies, longer lives*. Joseph Rowntree Foundation, York
- Evans P, Wolf B (2005) Collaboration rules. *Harvard Business Review*, July–August, pp 96–104
- Fichman K, Keelan JE (2007) Resister's logic: the anti-vaccination arguments of Alfred Russel Wallace and their role in the debates over compulsory vaccination in England, 1870–1907. *Stud Hist Philos Biol Biomed Sci* 38:585–607. <https://doi.org/10.1016/j.shpsc.2007.06.006>
- Fine B (2008) *Marx's 'Capital'*. Macmillan, London
- Fisher E, Fuchs C (eds) (2015) *Reconsidering value and labour in the digital age*, Chapter 2. Macmillan, London
- Foster JB (2022) Nature as a mode of accumulation – capitalism and the financialisation of the earth. *Mon Rev* 73(10):1–24
- Fraser N (2009) Feminism, capitalism and the cunning of history. In: *Citizenship rights*. Routledge, London, pp 393–413
- Freeman A, Kagarlitsky B (2004) *The politics of empire*. Pluto Press, London
- Fuchs C (2015) The digital labour theory of value and Karl Marx in the age of Facebook, YouTube, Twitter and Weibo. In: Fisher E, Fuchs C (eds) *Reconsidering value and labour in the digital age*, Chapter 2. Macmillan, London
- Gabriel J (1995) *Pinochet's economists: the Chicago School of Economics in Chile*. Cambridge University Press, Cambridge
- Galbraith JK (1963) *American capitalism: the concept of countervailing power*. Penguin, London
- Garrett L (2007) The challenge of global health: beware what you wish for. *Foreign Affairs* 86(1):14–38
- Giddens A (1984) *The constitution of society*. The University of California Press, Berkley, CA
- Gilbert BB (1966) *The evolution of national insurance in Great Britain*. Michael Joseph, London

- Gough I (1978) Theories of the Welfare State – A Critique, *International Journal of Health Services*, January/1; 27–40
- Gough I (1979) *The political economy of the welfare state*. Macmillan, London
- Goldin C, Katz LF (2008) *The race between education and technology*. Harvard University Press, Cambridge, MA
- Gough I (2008) European welfare states: explanations and lessons for developing countries. In: Dani AA, Haan A (eds) *Inclusive states: social policy and structural inequalities*. World Bank Publications, Washington, DC, pp 39–72
- Grindle MS (2007) *Going local: decentralization, democratization, and the promise of good governance*. Sheffield University Papers
- Grindle M (2011) Good enough governance revisited. *Dev Policy Rev* 29(SI):S199–S221
- Hardt M, Negri A (2009) *Common wealth*. Harvard University Press, Cambridge, MA
- Harvey D (2005) *A brief history of neoliberalism*. Oxford University Press, Oxford
- Haskel J, Westlake S (2018) *Capitalism without capital: the rise of the intangible economy*. Princeton University Press, New York
- Heinrich M (2013, April) Crisis theory, the law of the tendency of the profit rate to fall, and Marx's studies in the 1870s. *Monthly Review*
- Hewett PC, Montgomery MR (2001) *Poverty and public services in developing-country cities*, Policy research division working paper no. 154. Population Council, New York
- Heydon K (2024) *The trade weapon – how weaponizing trade threatens growth, public health and the climate transition*. Polity, Cambridge
- Hills J (2015) *Good times, bad times: the welfare myth of them and us*. Policy Press, Chicago
- Hodgson G (1974) The theory of the falling rate of profit. *New Left Rev* 1:84
- Holliday I (2016) Productivist welfare capitalism: social policy in East Asia. *Political Stud* 48(4):706–723. <https://doi.org/10.1111/1467-9248.00279>
- Hood C (1991) A public management for all seasons? *Public Manag Rev* 69:3–19
- Hood CA, Peters J (1995) The NPM in the 1980s: variations on a theme. *Account Org Soc* 20(2/3):1995
- Jansson JO (2013) *The economics of services – micro-foundations, development and policy*. Edward Elgar, Cheltenham
- Jerven M (2010) African growth recurring: 1690–2010. *Econ Hist Dev Reg* 25(2):127–154
- Kaivo-Oja J, Kinder T, Stenvall J (2024) Key trends off tangible and intangible products in public sector production in some OECD countries: intangibility and the obfuscation of public service productivity. *J Econ Cult* (Forthcoming)
- Katz MB (1996) *In the shadow of the poorhouse: a social history of welfare in America*. Basic Books, New York
- Katz MB (2008) *The price of citizenship: redefining the American Welfare State*. Macmillan, New York
- Keefer P, Khemani S (2003) *Democracy, public expenditures and the poor*, development research group. World Bank, Washington, DC
- Kerbaj R (2022) *The secret his of the five eyes: the untold story of the international spy network*. Blink, London
- Kerr C (1962) *Industrialism and industrial man: the problems of labor and management in economic growth*
- Kilman A (2007) *Reclaiming Marx's "capital": a refutation of the myth of inconsistency*. Lexington Books, Lanham, MD
- Kilman A (2011) *The failure of capitalist production: underlying causes of the great recession*. Pluto Press, London
- King B (2018) *Bank 4.0: Banking everywhere, never at a bank*. John Wiley & Sons
- King S (2021) *Imperialism and the development myth: how rich countries dominate in the twenty-first century*. Manchester University Press, Manchester
- Konosuke O (2002) *The evolution of social policy in Japan*. World Bank. Retrieved 18 March 2013

- Læg Reid P, Mattei P (2013) Introduction: reforming the welfare state and the implications for accountability in a comparative perspective. *Int Rev Adm Sci* 79(2):197–201
- Lapavistas C (2013) *Profiting without production: how financial exploits us all*. Verso, London
- Lebowitz M (1986) Too many blind-spots on the media. *Stud Political Econ* 21:165–173
- Lebowitz M (2003) *Beyond ‘capital’: Marx’s political economy of the working class*, 2nd edn. Palgrave MacMillan, Basingstoke
- Lebowitz M (2010) Trapped inside the box? Five questions for Ben Fine. *Hist Mater* 18(1):131–149
- Lebowitz M (2011a) Socialism for the twenty-first century and the need for socialist globalisation. *Int Crit Thought* 1(3):249–256
- Lebowitz M (2011b) The unifying element in all struggles against capital is the right of everyone to full human development. *Independent Socialist Magazine*, pp 46–47
- Lebowitz M (2012) *The contradiction of “real socialism”: the conductor and the conducted*. Monthly Review Press, New York
- Levins R, Lewontin R (2009) *The dialectical biologist*. Aakar Books, Delhi
- Lewis WA (1954) Economic development with unlimited supplies of labour. *Manch Sch* 22:139–191
- Li J (2001) Marxist labour theory of value and China’s distribution system. *Vista Theory* 4:14–16
- Losurdo D (2014) *Liberalism – a counter history*. Verso, London
- Losurdo D (2020) *War and revolution – rethinking the 20th century*. Verso, London
- Luce E (2017) *The retreat of western liberalism*. Little, Brown and Company
- Luke B, Kearins M, Verreynne M-L (2011) The risks and returns of new public management: political business. *Int J Public Sector Manag* 24(4):325–355. <https://doi.org/10.1108/09513551111133489>
- Luxemburg R (1901/2003) *Accumulation of capital*. Routledge, London
- Mandel E (1975) *Late-capitalism*. INK Links, London
- Manning N (2001) The legacy of new public management in developing countries. *Int Rev Adm Sci* 67(2):298–312
- Marini RM (1973/2022) *Dialectics of dependency*. Monthly Review Press, New York
- Mattick P (1969) *Marx and Keynes*. Extending Horizons Books, New York
- Mavroudeas SD (2018) The Marxist theory of imperialism: which way forward, Thirteenth Forum of the World Association for Political Economy, Berlin School of Economics and Law, 16–18 July
- McCourt W (2007) Impartiality through bureaucracy? A Sri Lankan approach to managing values. *J Int Dev* 19:429–442
- McLoughlin C, Batley R (2012) *The politics of what works in service provision: an evidence-based review, A working paper for the Effective States and Inclusive Development*, ESID, Research Programme, University of Manchester
- Milanovic B (2016) *Global inequality: a new approach for the age of globalisation*. Harvard University Press, Cambridge, MA
- Miliband R (1969) *The state in capitalist society*. Weidenfeld & Nicolson, London
- Mirowski P (2014a) *Never let a serious crisis go to waste: how neoliberalism survived the financial meltdown*. Verso, London
- Mirowski P (2014b) The political movement that dared not speak its own name: the neoliberal thought collective under erasure. *Institute for New Economic Thinking, Working Paper-23*
- Mitchell MD, Boettke P, Zhukov K (2023) *The road to socialism and back: an economic history of Poland, 1939–2019*. Fraser Institute, Edinburgh
- Naidu S, Rodrik D, Zucman G (2020) Economics for Inclusive Prosperity (EfIP): economics after Neoliberalism: introducing the EfIP project. *AEA Papers Proc* 110:366–371. <https://doi.org/10.1257/pandp.20201000>
- Nayyar G, Cruz M, Zhu L (2020) Does premature deindustrialization matter? The role of manufacturing versus services in development. *J Glob Dev*. <https://doi.org/10.1515/jgd-2020-0006>
- Norman K (2018) *Sweden’s dark soul: the unravelling of a Utopia*. Hurst, Oslo
- O’Connor J (1973) *The fiscal crisis of the state*. St. James, London

- O'Connor J (1998) *Natural causes*. Guilford Press, New York
- Offe C (1984) *Contradictions of the welfare state*. Routledge, London
- Olson M (1965) *The logic of collective action*. Harvard University Press, Cambridge, MA
- Osborne SP (2018) From public service-dominant logic to public service logic: are public service organizations capable of co-production and value co-creation? *Public Manag Rev* 20(2):225–231. <https://doi.org/10.1080/14719037.2017.1350461>
- Osborne SP (2020) *Public service logic: creating value for public service users, citizens, and society through public service delivery*. Routledge, New York
- Osborne D, Gaebler T (1993) *Reinventing government*. Penguin, London
- Paitaridis D, Tsoulfidis L (2012) The growth of unproductive activities, the rate of profit, and the phase-change of the US economy. *Rev Radical Political Econ* 44(2):213–233
- Peck J, Theodore N (2012) Politicizing contingent work: countering neoliberal labor market regulation ... from the bottom up? *South Atlantic Q* 111(4):741–761
- Pickett K, Richard Wilkinson R (2009) *The spirit level: why more equal societies almost always do better*. Routledge, London
- Piketty T (2013) *Capital in the twenty-first century*. Harvard University Press, Cambridge, MA
- Preobrazhensky E 1926 (1965) *The new economics*, 2nd edn. Clarendon Press, Oxford
- Roberts M (2016) *The long depression – how it happened, why it happened and what happens next*. Haymarket Book, Chicago, IL
- Roberts M (2020a) *Fredrich Engels – his Contribution to Political Economy*. Lulu.com, London
- Roberts M (2020b) *Marx 2000 – his contribution to political economy*. Lulu.com, London
- Roberts J, Martin J (2018) *Permanent revolution in Latin America, Cuba, Nicaragua Venezuela*. Wellred Books, London
- Rodik D (2017a) *Straight talk on trade – ideas for a sane world economy*. Princeton University Press, Princeton, NJ
- Rodik D (2017b) *Economics rules – why economics works, when it fails and how to tell the difference*. Oxford University Press, Oxford
- Rodney W (1972) *How Europe underdeveloped Africa*. Verso, London
- Roth GJ (1987) *The private provision of public services in developing countries*. Oxford University Press, New York
- Rotta TN, Kumar R (2024) Was Marx right? Development and exploitation in 43 countries, 2000 – 2014. *Struct Change Econ Dyn* 69:213–223
- Sachs JD, Warner AM (2001) The curse of natural resources. *Eur Econ Rev* 45:827–838
- Sagiri AK (2016) Costs of policy uncertainty and delaying reform: the case of ageing in Japan. *Vox*
- Sardoni C (2015) Is a Marxist explanation of the current crisis possible. *Rev Keynes Econ* 3:143–157
- Sarker AAE (2006) New public management in developing countries: an analysis of success and failure with particular reference to Singapore and Bangladesh. *Int J Public Sect Manag* 19(2):180–203. <https://doi.org/10.1108/09513550610650437>
- Sassen S (2015) *Losing control? Sovereignty in an age of globalisation*. Columbia University Press, New York
- Scarpelli G (1992) “Nothing in nature that is not useful”. The anti-vaccination crusade and the idea of ‘harmonia naturae’ in Alfred Russel Wallace. *Nuncius* 7:109–130
- Shackle GLS (1972) *Epistemics and economics – a critique of economic doctrines*. CUP, Cambridge
- Shaffer P, Kanbur R, Sandbrook R (eds) (2019) *Immiserising growth – when growth fails the poor*. Oxford University Press, Oxford
- Shaikh A (2016) *Capitalism: competition, conflict, crises*. Oxford University Press, New York
- Shostack GL (1977) Breaking free from product marketing. *J Mark* 44:73–80
- Skidelsky R (2009) *Keynes: the return of the master*. Allen Lane, London
- Slobodian Q (2018) *Globalists – the end of empire and the birth of neoliberalism*. Harvard University Press, Cambridge, MA

- Smith J (2016) Imperialism in the twenty-first century – globalisation, super-exploitation and capitalism's final crisis. Monthly Review Press, New York
- Solow R (2012) A few comments on sustainability and the measurement of wealth. *Environ Dev Econ* 17(3):354–355
- Standing G (2011) *The Precariat – the new dangerous class*. Bloomsbury, London
- Steedman I (1981) Ricardo, Marx, Sraffa. In: Steedman I et al (eds) *The value controversy*. Verso, London, pp 11–19
- Steel GR (1993) *The economics of Friedrich Hayek*. Macmillan, London
- Streeck W (1992) *Social institutions and economic performance*. Sage, London
- Su B et al (2006) Leisure life in later years: differences between rural and urban elderly residents. *J Leis Res* 38(3):381–397
- Sweezy P (1997) More (or less) on globalisation. *Month Rev* 49(4):3–4
- Therborn G (1977) The rule of capital and the rise of democracy. *New Left Rev* 103:3–41
- Therborn G (1986) Karl Marx returning: the welfare state and neo-marxist, corporatist statist theories. *Int Political Sci Rev* 7:2. <https://doi.org/10.1177/019251218600700204>
- Titmuss RM (1950) *Problems of social policy* (A volume of the official history of the second world war). Her Majesty's Stationery Office, London
- Trischler J, Rønnebak M, Edvardsson B, Tronvoll B (2023) Advancing public service logic: moving towards an ecosystemic framework for value creation in the public service context. *Public Manag Rev* 2023:1–29. <https://doi.org/10.1080/14719037.2021.1899272>
- Troy E (1984) (part-1) 1992, (part-2) *The social wage*. Crabtree Press, Hove
- Vargo S, Lusch R (2008) Service dominant logic: continuing the evolution. *J Acad Mark Sci* 36(1):1–10
- Vargo SL, Lusch RF (2014) Inversions of service-dominant logic. *Marketing theory* 14(3):239–248
- Vogel EF (2011) *Deng Xiaoping and the transformation of China*. Harvard University Press, Cambridge, MA
- Vollrath D (2020) *Fully grown: why a stagnant economy is a sign of success*. University of Chicago Press, Chicago, IL
- Von Hayek FA (1962) *The road to serfdom*. Routledge, London
- von Mises L (1960) *Epistemological problems of economics*. Van Nostrand, London
- Waitzkin H, Pérez A, Anderson M (2021) *Social medicine and the coming transformation*. Routledge, New York
- Wallace R (2016) *Big farms make big flu*. Monthly Review Press, New York
- Wang S (2006) Adapting by learning: the evolution of China's rural health care financing. *Mod China* 35(4):370–399
- Wei SJ (2000) *Natural openness and good government*. Policy Research Working Papers. World Bank
- Wilensky HL (1975) *The welfare state and equality*. University of California Press, Berkeley
- Wu Y et al (1998) *Formation and development of Marxist economic theory*. Renmin University Press
- Xiao Y, Zhao K, Bishai DM, Peters DH (2013) Essential drugs policy in three rural counties in China: what does a complexity lens add? *Soc Sci Med* 93:220–228
- Xie F, Wang J (2016) Did Marx abandon the theory of tendency of the rate of profit to fall? In: Cheng E (ed) *delving into the issues of the Chinese economy and the world by Marxist economists*. Chinese Academy of Social Sciences, Canut International Publishers, Beijing, pp 61–79
- Xincheng Z (2002) *Chengshi shehui xinlixue* (Psychology of Urban Society), Tongji, SH
- Yu B (2016) Is there a tendency of the rate-of-profit to fall? Theory, evidence and an adequate model. *World Rev Political Econ* 7(4):411–423
- Zhou Y (2019) *Study on the ecological civilization progress under the five-sphere integrated plan*. China Book Press, Beijing

Chapter 8

The Family, Households and Public Services



Abstract As capitalism reproduces (valorises) capital to accumulate it requires social reproduction to provide suitably socialised and trained workers using family and household structures that vary across cultures providing services, that may also be provided by the state or market—think of child and elder care, education, laundry, food services and which neoliberalism push from the state into the family, saving state spending and taxes. Marx and Engels show how family functions have altered from a combined unit of production and consumption in feudalism to units of consumption and labour supply in capitalism; the family is a highly politicised social structure which this chapter shows ought to be about flourishing social relationships, but in capitalism is distorted with relationships mediated by the market and needs of production. Changing demographics (fewer babies, longer lives) and partially successful campaigns for equal pay and opportunities shed new light on the nature of patriarchy and Marx’s call for the abolition of the family as a patriarchal structure (de-familisation) focusing on the oppression and exploitation of women, with ideas around wages-for-housework and identity politics critically discussed along with family businesses and self-exploitation.

8.1 Introduction

Marx’s primary purpose was to share understanding of why exploitive capitalism is prone to crises, destructive of the natural environment, retards technological progress, and by doing so scientifically justify de-alienating socialist relations replacing capitalism. Contradictions between relations of reproduction and relations of production, especially social structures, consumption and distribution, include many areas of investigation that although mentioned by Marx and Engels they had insufficient time to investigate. Their thinking together around some of these subjects is evidenced by the speed with which Engels published *The Origin of the Family, Private Property and the State* only a year after Marx’s demise. As we will see, families have returned to being both the consumers of public service use-values (UVs) and their creators. In Chap. 16, issues of gender, love and sexuality are

considered; this chapter focuses on households as structures in which women and men actively create and consume value.

Families evolved as means of protecting private property, subjugating women by men and socialising children: it is an almost universal social form, a key bridge in the capitalist system between relations of production and of reproduction. Changing families from a unit of both production and consumption into primary one of consumption and reproduction is crucial in moving from feudalism to capitalism and altering its form, into greater use of public services will be an essential aspect of moving from capitalism to socialism. As feudal families lost their land and common rights and landless labourers moved into cities to become proletarians (Wood 1999), families fractured and when reconstituted in cities in early British capitalism had migrated from production/consumption units, into consumers, often at poverty levels. Extended families continue to dominate in some Asian, African and Arab cultures: the western nuclear family is not universal, nor is family structure determined by biology. Yet the family is full of contradictions. Strictly speaking the family suggests a viewpoint of relationships and the household one of functions, however, here we use the terms interchangeably since household is a repository of value flows, allowing conceptualisation of Zetkin's *work as liberation*, bringing a women-originated flow of value into the home.

Primary healthcare, elder/childcare, housing, transport and elementary education are all examples of services that may be provided by (a) state use-value (UV), (b) family UV (both of which are PV) or (c) the market exchange-value (EV commodity). While EV and SV are abstractions, UV is always concrete, materialist, if often often mostly intangible (services). This chapter extends Marx and Engels' thinking around family and households showing how their concepts constitute a rich framework for understanding their contribution to the stock and flow of public value (PV) today. The household being a basic social structure that plays a role in the transition from feudalism and (as this chapter argues) from capitalism to socialism by sharpening the relations of production and relations of reproduction contradiction arguing that shifting functions shift between the family, state and market, along with changing gender relations, help make sense of Marx and Engels' call for the abolition of the family. Arguments range over history and internationally, for example explaining the shift from one wage-earner to two in many western economies and from 2 + 2 (adults/children), and in Chinese families to 4-2-1 families while 2 + 6 families continue in many developing countries.

Historically, the process of households becoming landless facing enforced urbanisation and employment for money to purchasing the necessities of life, eventually created the 2 + 2 bourgeoisie family, imitated by the working working-class, especially the craft *aristocracy of labour*. Instead of moving to the rhythms of country life, families lost control to the factory clock (Landes 1983) finding, as the economist Joan Robinson (1983) pithily states, that the *only thing worse than being employed by a capitalist is not being employed by a capitalist*, even when the capitalist is using a stopwatch or digital monitoring to speed up work. As Engels noted in the *Condition of the Working Classes in England* (1844) the situation of first-generation proletarian families constituted *social murder*, sadly being repeated in

sweatshops of Asia and Africa today. As public service PV increased, from state, family and market activities, rights and standards evolved improving conditions firstly in basic areas (clean water and sewage) and later health, education and care services, sometimes with standards enforceable by the rule-of-law. An accompanying trend Goldin and Katz (2002) shows, was married women later moving from the out-of-the-household paid workforce into full-time household labour, creating UVs.

Structure

The chapter is in two parts, firstly non-Marxist research on the household and then Marx and the Marxist contribution to our understanding. It opens by discussing the family-state-market interplay, noting how family (activities and assets) vary across cultures and in relation to state public services. As capitalism socialises production, we note how families are disturbed by international migration. The chapter gives examples of how similar or same services can be sourced from each governance.

After discussing Marx and Engels' views on the origin of the family, its role in transitioning from feudalism and their call for abolition of the family, we note the role of the family as creator and distributor of UVs; how capitalism is now reuniting the family as both unit of production and consumption, the importance of family businesses and the possibility of self-exploitation. Interplaying family, state and markets as UV or EV providers, patriarchy shapes services in the family, labour markets are noted as gendered and racialised and separatist feminist claims of wages-for-housework (WfH) most strongly put as part of labour movement claims for minimum income. Marx and Engel's advocacy of abolition of the family is explained in terms of transitioning to socialism-communism and significance of UVs producing more value than EV highlighted.

Learning Objectives

LO-8.1: The service functions and some assets on which people depend for a good life, in twenty-first century capitalism, are variously provided by the household, the state or the market (with smaller amounts of services provided by 3S, unless a special case of theocracy). Distribution between these three governances is dictated by phase of development (families create proportionately more PV in less developed economies) and by class struggle. Stronger working-class movements exact a wider scope of state services as concessions from capitalism, for example from education, health and care into a wider scope (say) housing and universities. The chapter explores how families/households respond to and struggle against a hollowing-out of public services (including welfare) by neoliberalism, and how gender relations within families are affected.

LO-8.2: As relations between capitalist mode of production and social relations of reproduction dialectically alter, the family's material public services alter, especially affecting women: thus, external socio-economic trends bring change within families and the public services they provide, changes

this chapter analyses. These trends include demographics such as *Fewer Babies and Longer Lives* (Ermisch 1990) demanding a triple shift from women (work, family and care), burdens Wilcox and Wang (2017) note, that younger, urbanised women are rejecting in cultures with meagre public services. Domestic technology may help draw women out of the industrial reserve army of labour (e.g. contraception and washing machines) and may reunite family production and consumption by enabling home-working. Families increasingly follow hybrid structures, some models making provision of services easier. Despite half a century of feminist agitation, patriarchy within families can be undisturbed; its central demands (equality and WfH) unfulfilled.

LO-8.3: Some households are returning to the feudal model; both producing and consuming UVs. In a further dimension, James (2006) says a third of market listed assets in France and China are family-owned, around a quarter in Italy and Germany. Globally 80% of startups are household-based sometimes flourishing, sometimes self-exploitation. The chapter explores family businesses and self-exploitation.

8.2 What Do We Know?: The Family, State and Market Interplay

As a generalisation, with industrialisation family structures change from extended to nuclear (or singletons) shaped by the prism of cultures, which along with population growth and economic wellbeing increases the number of households. These are often two-worker households. More educated girls pursue careers and delay marriage and childbirth. These are highly cultural factors, for example while 62% of women in OECD countries are in paid employment, there remain only 83 women per 100 men in the workforce, with numbers at half that level in countries such as Japan, Belgium and France. Overall the trends are to more women working outside the home.

Acknowledging dialectically that effect becomes cause, levels of child benefits and childcare availability influence fertility with lowest fertility in least child-centred welfare regimes such as Japan, South Korea and Italy where total fertility rates are now half the 2.1 per woman needed to maintain population size, resulting in population contraction (predicted to halve in these countries by 2100 (Saraceno 2011)). Ermisch's (1990) *Fewer Babies and Longer Lives* is a recipe for a rising dependency ratio unless productivity rises dramatically. Note the correctness of Marx's critique of Malthus (1798): we are not overpopulated in relation to food available. Family size trends are a mixture of biology (technological controls and IVF), subjectivities (family pressure and status) and objectivities (welfare and equal pay/opportunity). As Berman (2010) notes, where community support for child-rearing (childcare, school quality and proximate extended family) declines, so too does fertility. For males, *extended adolescence*, like females enjoying freedom, acts

against early marriage; in Italy Ginsborg (2003) says, some men want to marry a mother figure. Any social stigma around divorce has wilted with about half marriages now ending in divorce, an important result of which Goodhart (2017) notes is the heightened call on public services by single parents (20% of children). Overall, 40% of children are born outside of marriage (far less Asia), 20% US households are now single parent and a majority in Sweden.

Broadly, Holsinger and Kasarda (1974) argues, school participation supports modernisation, as development economists such as Galbraith (1963) have long pointed out, also noting the greater propensity for schooled girls to enter the labour force, in part Sacks (1974) says, because their social network is expanded, and social aspirations raised beyond that which family education offers. Marx's (*Capital* V-1:Chap. 25) industrial reserve army of labour concept is important here: state child-oriented services can be used as a policy to control women's participation in labour markets (seen in the *Rosie the Riveter* film). This is not a simple linear relationship as Italian towns offering free houses, etc., to new mothers have found. In the XX-Factor, Wolf (2013) notes how rich women employ poorer women on low wages to perform their childcare and household work, creating a wider labour market pyramid. Young women now have choices, though patriarchy continues (see below).

Faulkner and Senker (1994) idea that *women occupy the space vacated by men* usefully captures how in labour markets create a gendered hierarchy of opportunities and division of labour. For example, in 1995, 245-million Chinese were in their 20s, by 2025 the figure will be 159-million, strengthening labour's bargaining position. In much of Africa, families remain economically significant, for example the extended family acting as a bank supporting opportunities for talented young people. This can involve helping with costs of migration and subsequent receiving remittances; in Nigeria, remittances at US\$ 24-billion per year are over ten times the amount of foreign inward investment. Sadly, patriarchy remains strong in many countries with young girls forced into marriage or marriage partners selected by parents—issues discussed below.

Holstein and Gubrium (2000), *What is Family* question remains valid. Their answer is to equate family with household, arguing that family has ceased to equate with marriage, children and cross-gender relationships. If 6% of men and women are now self-identifying as LBGHT+ (Lesbian, Bi-sexual, gay, heterosexual or transsexual) this is significant for fertility, noting that in many countries gay marriage and adoption are now legal. For many young people the transition from the parental home is via work or study can lead to hybrid forms of household: a *chosen family*. The later-Victorian ideal type as (Creighton 1985) noted, of 2 + 2 families, with one wage-earner is now long gone. However, pressure downwards on starter salaries and the rising cost of home mortgages mean that the transition route is increasingly delayed or takes a different form with only young people from wealthier families able to support young home-ownership. Thatcher's sell-off of public sector housing in the UK has disastrously removed tenure choice forcing working-class starter-families to live with parent-in-law households. Work can be attached to tied accommodation; Vogel (1983) gave examples from apartheid South Africa.

8.3 Family Across Cultures and Public Services

There are so many different things under the sky. We have seen that public services scale and scope vary with level of economic development (affordability), context and culture (desirability and legitimacy) and strength of the labour movement. These differences are mirrored in families as a general trend: it is questionable if we can speak of a distinctive African, Asian or Western family. As markets and the money economy spread and marketing extends its reach it is possible to identify mimetic pressures converging families as units of consumption: the family car and the nuclear family accommodation. Divergence is also apparent: Chinese bridegrooms are said to need three ‘musts’—a car, good job and 150 m² flat. It is said that senior managers at Apple, Cork, Ireland were disturbed to find that during lambing season workers took time off to help on the family farm. A walk around Shibuya (Tokyo) or along Nanjing Road (Shanghai) at Christmas time reveals mass participation in consumerist Christmas, vastly out-numbering Christians. Whereas for Lin Yutang (1936), the family mediated between individual and state, he would be disturbed to witness how much it is consumer markets doing the mediating.

Challenging the notion that families altered radically in the *swinging* 60s, Laslett (1992) notes that since the 1540s society has aged, many families were nuclear and 40% of children born out of wedlock, with Thane (2005) noting that in the early eighteenth century, 23% of English marriages ended within ten-years (death in childbirth) and that 30% of first child couples were unmarried. The 2 + 2 Victorian family emerged in northern Europe in late 1600s (Lewis 1954, 1992; Pfau-Effinger 1998) amongst the upper middle-classes, while the structure of working-class families often remained extended (Todd 1987; Fraser 1995). As upper-class families conformed to prescribed social norms (Duncan and Edwards 2003; Holloway and Peláez 1998) a diverse form could be found amongst lower classes. Across Europe, late twentieth century family structures often reflect welfare regimes (Hakim 2011), though Brenner (1999) attached greater importance to cultural differences such as mothers as workers in Finland but as home-makers in Germany. Significantly, differences between region within countries often reflect types of industry (Webb and Collis 2000) and the costs of parenting. As late as 1939, Davidson-Smith (2022) records how the UK Teachers’ trade union supported employers dismissing women teachers who married citing a letter to a national newspaper saying, *No decent man would allow his wife to work*.

Capitalist Accumulation and Migration

International migration, forced migration (slaves; Irish), fleeing war, or environmental disaster, as King (2021) notes, is part of the human experience. Think of the Chinese living around Asia. Migration shapes and re-shapes societies, making them more complex: different family structures providing different public services, with remittances important to many African countries. Often migration arises from limited job opportunities, e.g. Nepal; parts of Africa; Afghanistan; post US wars countries. Migration is part of international capital’s industrial reserve army of labour, associated with the free movement of goods and capital. Migrant labour often comes

at lower costs and is easily discipline, though Lee (1996) identifies obstacles including distance, travel cost, cultural gaps, political obstacles and personal factors in decision-making. Domestic migrant labour adds to the value-creating capacity of households.

New Economics of Labour Migration (NELM)—mainly analysed using Oded Stark risk aversion mechanism, is an income maximisation strategy, and a strategy to overcome constraints imposed by market imperfections. De Haas and Mansfeld (1997) and McDowell and De Haan (1997) showed that migration is not only a strategy to counter poverty or misery (push factors) but also a means to improve livelihood perhaps an investment for a whole family, e.g. funding children's education. Migrations are also due to the capitalist mode of production, shaping a world after its own image: capitalist development is differentiated spatially, temporally and on a sector basis. This uneven development of capitalist is multi-scalar (world-wide and within national boundaries). Neil Smith showed that this differentiation and polarisation due to competition is also a tool of homogenisation and the dual nature of capitalism (Smith and Padula 2008). This fact explains migration processes, indeed, in a homogeneous capitalist world, economic migration would not happen, but migrations are also a tool of homogenisation.

8.4 Families and Public Services

UVs produced by households are culturally-specific. Chinese people are often fascinated to hear of the Nordic cradle-to-grave welfare until told that it is supported by a 52% income tax rate in Finland. Lew Kuan Yew's famous speech on unemployment benefit expresses genuine wonderment at why anybody would work. International students in Scotland enrolled in the NHS have commented, *but I could go every day*. Visitors from Kazakhstan to Scotland refuse to believe that citizens donate blood for free. A pregnant Chinese woman having a baby in Scotland was disappointed to hear that the Doctor would not visit every day when in China the most minor injury results in a doctor investigation. While working on a telemedicine project connecting Scottish gynaecologists with nurses on Greek islands, we were amazed to find that after every visit the Greek patient's culture requires prescription of some medication.

Take Jansson's (2013) HEC (health, education and care services). We can envision health almost totally provided at home, perhaps using traditional/homoeopathic medicines, with supplemented pharmaceuticals, or almost totally outside of the home with on-demand doctors. Where home-based, the household is creating UVs that aggregate into PV. Education will always have a home element (language and socialisation), perhaps extended by homework support or home-schooling choice, or in the case of passive parenting, reliant on teachers in state schools. Upper-class English people continue sending their children into boarding schools. The package of UV constituting a child's education is distribution between state PV and household PV. Care (of sick-elders or young children) too can be distributed between state

and household, perhaps with the market element of paid residential homes for elders and paid-for baby-sitting. As an aggregate, household UVs constitute a total of PV of economic significance that adds to other non-market sources of PV: the state, some PPPs and 3S. Mostly this PV is non-market and not-for-profit and may outweigh the for-profit value provided by the market, as Kinder and Stenvall (2021) suggest is the case in the UK.

USA capitalists expected to soon re-occupy Cuba after the demise of the Soviet Union and its trade contracts in 1989. Yet, the Cuban revolution was saved by embarking upon thousands of People's Parliaments, generating ideas to cope with the crisis: worker's democracy in action: a story of twenty-first century socialism in action told by Ross (2022a, b). Engine repair factories, tourist offices, sugar plantations, transport planners and services, retail distributors, cigar makers—encouraged by the CCP leadership, thousands of worker's parliaments hammered out suggestions to overcome the crisis, and they were successful. GDP figures rose, productivity increased, industries restructured and workers redeployed. Workers who own their industries always have the best ideas for improvement. Never underestimate the power of active democracy!

For those who find socialism scary and risky, it is important to demonstrate that public services offer a vision of the future. Applying democratic planning to socialised private property is also a strong argument for socialism. Replacing the failing dictatorship of the bourgeoisie with a proletarian dictatorship, posed in these terms, are strong arguments for socialism.

Discussions below consider patriarchal relations within the family and issues associated with family business. The key from the discussion above is that a great deal of the UVs upon which society depends and which interrelate relations of production and reproduction are not capitalism exchange-value sold for money on the market and are instead UVs created and distributed by households. When considering the costs to society of capitalism (wars, standing armies and military, inequality and wasteful competition) the capitalist would claim (perhaps) these are overheads, basically capitalism provides the value on which society runs. That case is challenged here by showing that some/much/most of the value on which society depends is not provided by capitalism but instead is PV created by households, public services and the 3S: outside of capitalist relations. Marx makes these arguments forcibly.

8.5 Marx Arguments

Marx is clear that commodities are useful combinations of labour and natural artefacts UVs which when sold on markets as EVs realise unpaid surplus value SV: these are commodities—capitalism's *germ-cell*, allowing accumulation of capital. The argument here is that public service UVs are part of PV which do *not* migrate into EVs and can be created and distributed by households, public services or the third- or voluntary sector (3S). PV like EV is both an abstraction and a materiality: in the case of household UVs solving a citizen's problem without recourse to market or money relations. Value created and distributed in the mutualised, collectivised sector of economic activity, which can be planned. Note that the more families create UVs the less the market sectors have EVs from which capitalists can derive profit, altering the balance between relations of production and relations of reproduction. If so, the room for manoeuvre capitalism enjoys avoiding crises is constrained, the more that the public sector and families provide (non-profit opportunity) UVs. Depriving capitalism of the market for household value production deprives them of the profit-seeking investment opportunities neoliberalism target by reducing public services seeking to migrated PV from public services into (profitable) commodities. For example, USA health insurance companies continually seek institutional changes allowing them entry into European healthcare. To be clear, we are arguing that UVs created by households are part of PV, the non-market creation and distribution of value that solves citizens' problems. We explore below how this tendency eats into the for-profit sector. Households, the formal public sector and 3S each create and distribute UVs that are socially PV.

Marx and Engel's argument for the abolition of the family rested upon gender exploitation (at work) and oppression at home (centred on domestic labour) is often today vindicated in terms of de-familisation (Lister 1997; Esping-Andersen 1990; Bamba 2007). One important aspect of this is progressive movements in economically-advanced countries for the state to take over what were domestic functions; for now, these can be summarised as HEC (health, education and care). For advanced capitalism this releases more of women's time for exploitation in employment. For the labour movement, extension of collectivised HEC services are concessions fought for as part of the welfare state, repositioning the burden of social reproduction from women on to the state. Neoliberalism seeks to reverse these gains, turning HEC into services commodities, delivered by markets and paid-for by families. This chapter juxtaposes family-state-market as locations providing HEC services. As we shall see, there are other cultural and economic tendencies reducing the formation of families and child-bearing. This is the opposite trend to the argument in (1) above; here capitalism is eating into household PV creation seeking to migration household services into for-profit activity. The extension of household PV is a stepping stone towards collective provision of services, de-familisation.

The agrarian feudal family is both a producer and consumer (of food, clothing, shelter, education, etc); whereas the capitalist family is only a unit of consumption. Of course these are tendencies not simple binaries. The perspective that families

produce, distribute and consume UVs conceptualises families as both producers *and* consumers; their principal output being the next generation of workers, for which individual capitalists do not pay. Taking the UK as an example, UVs (from families, the public and third sector using imputed market prices) perhaps exceed EVs in the amount of value created (2021): $UV = PV$ is $> EV$. Importantly, this conclusion challenges the orientation of institutions towards for-profit activity. If so, this has important implications for the struggle for socialism and what Escobar (1995) terms the *good life*. What part can $UV > EV$ play in migrating society from capitalist to socialist social relations? Switching HEC functions from the family to the state particularly effects women in the family who otherwise face the double-burden of creating value for the capitalist and for the family. Chapter 18 considers feminist arguments around changing gender roles in the family, here focus is on the abolition of the family as conceived by Marx and Engels and the types of PV creation that countries need to industrialise.

Family businesses while important in western capitalism are especially important in Asian, African and South American societies (James 2006). Transition to a socialist society, as the Russian economist Preobrazhensky (1926/1965) showed, involves public ownership and planning of foreign trade/investment and the activities of ‘commanding heights’ companies, leaving small businesses to prosper. The argument here is that socialist accumulation can benefit from family-owned companies, encouraging them to comply with the direction of a planned economy as the economy grows.

Speculation about the role of the family and gender roles within it, in the transition to socialism and then building a communist society is informed by practice, especially in the early Soviet Union (Kollontai 1909), Cuba (Martin and Fabes 2001) and China today (Kristof and Wudunn 2013). The chapter considers these experiences and new theoretical perspectives, relevance of UV production and distribution, and changing attitudes of young people towards marriage and child-rearing coupled with rising longevity.

Working from home is now enabled by ICTs, including infrastructure such as e-commerce, online meetings, with background financial systems, which employers allow, sometimes under pressures, in other circumstances to save costs, and which can make blending household work and employment worker easier. Included in these arrangements are accessing public services digitally.

8.6 Marx on the Family and Households

Marx envisages labour-power employed by a capitalist suffering exploitation by being paid below the value it creates expropriating the SV. Folbre’s (1982) challenge was that labour employed in a family business too might be un-/under-paid; this too constitutes exploitation. However, she overlooks the wider relationships, for example the head of family has responsible to feed and clothe members whether trading profitably or not. Family members may share in business capital

appreciation (like a partnership), having rights unavailable to external recruits. One reason why trained workers from early capitalist putting-out systems were able to leave and secure work in early factories Woods (1986) says, was that they, unlike family members, had the freedom to choose their employers, unlike family members. Also note Engels' (*Conditions*) withering critique of early factories employing whole families, including young children and the high mortality rates from accidents and unsafe conditions, which added by slum housing resulted in *social murder*: families having been hired for a sub-contract collective wage, acceptable to capitalist morality. Pre-capitalist conditions for families in agriculture varied by context. Marx noted a fall in living standards for people forced from Russian 'mir' collective villages, similarly for British workers denied their access to commons, while proto-workers in India and China while enjoying good living standards in good times, also faced periodic famine, or dispossession by warlords.

A central contradiction to which Marx continually returns is between the relations of production and the relations of reproduction; production driven by profit and social needs with flourishing social relationships. He refers to the absence of democratic control of private capital, allowing capitalists to unsustainably extract from nature, leaving society to pick up any costs. He averages socially necessary labour time at average productivity, including the labour time (cost) of social reproduction. When class struggles are successful the cost of socially necessary labour time (wages) rises, however, faced with a weakened working-class, capitalism can force SNLT downwards, even below reproduction levels. Smith (2016) notes this is precisely what happens in global value chains (GVCs). There is always a sub-contractor offering lower costs based on lower wages! Workers in developed countries too face below SNLT wages, seen in 0 h contracts offered by US multinational fast-food and delivery companies.

By the middle-ages England (1066–c1700), even in early feudalism (1066–1350) rich landed families accrued investible capital by supporting town-based merchant venturers, while as Hilton (1976) notes (in a clear Marxist account of families transitioning from feudalism to capitalism), while never acting as a class, peasant groups conflicted with landlords over rents and corvée labour. Labour shortages following the Black Death (1346–1353) in mature feudalism (1350–1600) allowed peasant and urban working families that survived to prosper; neither peasants nor their Lords invested greatly. Scheidel's *Great Leveller* (2017) makes the point, relevant in today's world of Covid and Aids that unforeseen events socially disruptive. By late feudalism (1600–1700), Woods (1989, 2012) identified improvers creating a social surplus. Kosminsky (1956), Dobb (1963) and Brenner (1976) each argued for a dynamic view of institutions and relations in feudalism. Public services were minimal (roads, bridges, church and school) with perhaps Thompson's (1967, 2013) *moral economy* in times of crisis.

Examining relationships within families, Marx and Engels criticised (CM) the treatment of women as the *slaves of slaves* arguing that families fail to provide the affective and psychological support they or their children need and calling for the abolition of the family (more on which below). Having historicised the origins of

the family in the need for inheritance of private property (Origins) they turned their attention to patriarchy.

8.7 Marx: Patriarchy, the Family and Public Services

Patriarchy

Marx is resolute on the issue of equality for women arguing in the 1844 Manuscripts and 1845 German Ideology against notions that women's subjugation in society, the workplace and the family is not naturalistic and instead social constructed. Dis-alienation for women from patriarchy is integral to all of Marx's work, including his analysis of bourgeois family, calls for the abolition of the family in the 1848 Communist Manifesto and linking patriarchy as an ideology to the material conditions of class society. His anti-patriarchy views are plainly set out in sections of *Capital* on the employment of women and children in factories, his insistence that the First International gives equal status to women (Mrs Law was voted on to the General Council), and his resounding support for the actions of the 1871 Paris Commune policy of equal pay and equal educational opportunities. Elizabeth Dimitrieva, Marx's envoy to Paris, created *Union des femmes*; his daughter Laura married Paul Lafargue a Commune leader. His unpublished work on the Russian Mir peasant communes and notes on Morgan about ancient societies are woven into Marx's thinking on the role of women in transitions between modes of production. In analysing capitalism as both social relations of production and social relations of reproduction, Marx firmly puts the position of women in society and as workers centre-stage.

Ironically then one of the criticisms of Marx by some (Fraser 2000) in the women's movement is precisely this conceptual differentiation between social relations of production and reproduction, the argument being that women's oppression is a more potent hurt and more likely to create change than women as members of the working-class. In particular, the position of women in the reserve army of labour is criticised (Mitchell 1966) and Marx's argument that while labour for a capitalism is 'productive', labour in the home is not. This criticism is odd in the Marx's view is simply that labour is only productive *from the viewpoint of capitalism*, it contributes SV and profit. The entirety of *Capital* is written from this viewpoint, giving it coherence. One result of our argument that UVs created in households are PV that solves citizens' problems, does not place domestic labour in the productive category (it is not making profit for capitalists); however, it does highlight the economic contribution of women. Marx's key point here is about agency: which agent can overthrow capitalism and his answer is the working-class in alliance with other social groups such as peasants (as Wolf 1969 vividly demonstrates) and elements of the petty bourgeoisie. Being oppressed, however painful, does not give the power to create a new society. Dunayevskaya (1943) wrongly argues with Luxemburg (1900) that crises occur from imbalance between the production of capital and consumption goods. She joins the feminist criticism of Marx over productive labour arguing that

value from social reproduction flow into capital goods (changing *destination*, she says) drives forward expanded reproduction. In my view, Luxemburg and Dunayevskaya misread *Capital*, which Marx has written from the viewpoint of what creates or destroys value for capitalism. Labour is only productive if employed by a capitalist from which SV is extracted and realised on markets; productive is not a moral category for Marx, it is a scientific economic concept.

Marx's criticism of patriarchy as an essential condition in families based on the Victorian bourgeois (2 + 2) family model, includes as Weikart (1994) shows a critique of how this distorts the position of men: the illusion superiority, in a similar way as the racist ideology sows similar divisive illusions. Housewife's interaction with capitalism is as consumers. Oakley notes that patriarchal family debilitates both men and women; mental health of isolated women BUT sub-urban living (Marylin French's *Women's Room*). Cultures continue to vary in relation to family roles and conduct, for example between Confucian, Catholic, Muslim and African families.

Services from Family, State and Market

Taking childcare or food preparation as examples, we can envisage the same service being provided from (a) within the family, (b) offered free by the state or (c) alternatively sourced for payment from the market. For example, childcare by the (a) mother/grandma/grandad, (b) a state or 3S nursery or (c) a paid-for nanny or nursery. Dialectically, we can view these service options from different viewpoints. From a value viewpoint (a) is a UV and PV, (b) too is a UV or PV and (c) is an EV and adds profit to the capitalist nursery employer. If an employer offers childcare 'tied' to employment as a non-wage benefit, the cost is deducted from the SV they would otherwise accumulate. Often women (part of the patriarchy) will juggle between forms of childcare or (for example) receive state vouchers that can be traded with 3S or private sector providers for part of the childcare arrangements. If a family hires part-time childcare from another family, a non-market arrangement, the childcare remains a type of (a), a UV not a commodity exchanged. In slave societies, the slave owner might deploy part of the slave time in (white family) childcare. Some services are specialist. While the family may (a) do their own decorating and gardening, they may seek medical services from (c) the market or (b) if available, public service. Whereas in (c) pressure to reduce costs below SNLT, are likely to have a higher ratio of carers/Teachers to children in (b), not as much as (a) unless a large family. The state may enable (a) legal right to paid maternity and paternity leave. Patriarchy is reinforced by sole or major breadwinners. Our point is that just as masculine/feminine roles are non-binary (e.g. choosing to have children), so too are services that may be provided by families.

Gendered and Racialised Labour Markets

Economists speak of duality in labour markets meaning that employers segment labour markets by skill, gender or race. Marx's concept of the industrial reserve army of labour aligns with this viewpoint: women, racial minorities or migrants being drawn into employment only for jobs the majority avoid and at capitalism's call. Standings (2011) concept of precariat is an extension of this idea, as is Smith's

(2016) notion of sub-contracting workers in developing countries being paid at below reproduction wages (super-exploitation). Such workers are discarded at will by capitalism and therefore enjoy no family income security. Readers in some African countries will recognise this scenario affecting migrants.

People outside the USA are often unaware how racialised society is, leading some commentators (Leong 2013) to speak of racial capitalism (a concept reserved only for the USA). Gilmore's (2007) *Golden Gulag* shows that prisons are the second largest employer in California, the state having built 23 new prisons in the last half century. Across the USA, while a third of the US population are black or Hispanic, approaching 60% of the prison population are, including 2.3-million blacks: an unwanted, discriminatory public service. For some black activists (Brown 2012), lower-skill labour markets are completely racialised, with automated sifting rejecting people with poor credit or police records. Isenberg's (2016) *White Trash* presents the alternative view of the white precariat, though it too is a racial category. Labour market entry is quite different for the educated middle or working-class and for the former eased by family social capital connections into the world of work. Increasingly, young people enter the labour market by way of unpaid traineeships/placements.

Enforced or voluntary exit from labour markets too has gender, race and class dimensions. Average retirement age in the EU is 64 for men and 63 for women, in the USA it is 66 and while the Chinese formal retirement age is 60 the effective age is 54. Importantly, EU and Chinese workers expect to retire with a state pension and to access a range of leisure, health and care services. This is not so in the USA, where 411 pensions strictly depend on stock market performance and public services for retirees are limited, though (for example, libraries) may be charitably endowed. Given rising dependency ratios, unless there are significant rises in productivity, public spending deficits are likely to be addressed by rising retirement ages.

Wages-for-Housework (WfH)?

Marx's conceptual distinction between social relations of reproduction and social relations of production draws attention to the necessity of domestic labour UVs for the continuation of capitalism: without the work done mainly by women in the home capitalism could not socially reproduce and sustain itself. In the early years of the women's liberation movement (Toupin 2022), the case supporting wages-for-housework paid by the state was put by Mitchell (1966) and Costa and James (1971) and Secombe (1974) nuanced by Federici (1975). Interestingly in her response, Benston (1969) argued *there is the problem of whether the economy can expand enough to put all women to work as a part of the normally employed labour force*. What now appears dated about these arguments is the high level of women's participation in EV production outside the home as capitalist employees. Women are often doing a double shift with domestic technology and 'new man' contributions to household labour having made little difference to the amount of work women do in the home creating UVs. Like Engels (*Origin*), the argument here is that

collectivising domestic labour (public services such as childcare and why not laundry, cleaning and food) is a stepping stone towards the new society.

WfH itself is a demand achievable within capitalism. Recent debate around a universal basic income for all (Haagh 2019), see also Coote and Percy (2020), universal basic services) and Pizzigati (2018, maximum wages) is a response to job destruction by technological advance. Brown (2012) notes how Marx continually returned to the struggle of women for equality writing on women's suicides, the 1858 Lady Bulwer-Lytton case, bride pricing in India, women strikers in Preston, Chinese families. He returned later to reproduction and production relations including the abolition of the family.

In summary, patriarchy continues to dominate relations within the family, distorting by whom and how household UVs add to the stock and flow of PV. Nevertheless, without this PV social reproduction would stop, disabling the capitalism mode of production. As we saw in Chap. 7, the neoliberal state seeks to shift value costs from the state to households (Leibenstein's 1966 allocative efficiency) dissuading young women from entering motherhood and contributing to changing demographic patterns in industrialised countries. Labour markets discriminate on grounds of both race and gender, with the USA an outlier racial capitalism. Although the feminist WfH argument had made little headway, guaranteed income is now topical, though unlikely to be accepted outside of venture capital circles. Overall, households contribute significant amounts of value, in the form of non-market UVs, without which capitalism could not continue and which now make non-capitalist value production and creation only a minority of value created.

8.8 Family Businesses Self-Exploitation and Public Services

Capitalism privatises decision-making in businesses preventing democratic accountability and planning, which Marx criticises along with democracy as periodic voting without accountability, making parliamentary democracy, *sham democracy*. The rights Marx is interested in are rights to have a say in the industrial destiny of one's country, the right to work and housing; rights impossible to achieve when business decisions about location, employment and investment are taken by an elite. This is the essence of the China's response to western liberal criticisms of Chinese democracy.

Family business are *not* PV creators, they are commodity producers, selling products on markets at exploitative EVs. Some 30% of global companies are shareholder-owned, with about 70% of global GDP coming from family-owned businesses. Examples of these anti-democratic organisations include the Canadian Weston retail conglomerate; Sweden's Wallenberg family businesses that once employed 40% of the country's workforce; family companies are important in Germany a few examples being Reimann, Benckiser chemicals, JAB Holdings and the Porsche Piëch family. Outside of Europe, the Ayala family dominate the Philippine economy; Bimbo foods and Modelo brewers are large family

monopolies in Mexico; South Korea's 20 families own *chaebols* including Samsung, Hyundai Motor and Hanwha. All family business face issues of succession, in 2023, typified by Rupert Murdoch handing control to son Lachlan: staff and citizens were not consulted. Whereas the twentieth century opened with attacks on family-owned businesses, there is little comment of twenty-first century successions. A Chinese student once announced that she had plenty of money, but for the moment kept in in her father's pocket!

Citizens have no say when control of major businesses is handed down, within family businesses feuding and misbehaviour are common, mentioning the Ambani brothers at Reliance industries; Asia's richest family the Kwok family in Hong; Stanley Ho's gambling empire in Macau; Wang Yung-ching's Formosa Plastics; the Gucci family bust up and sons of Hyundai the South Korean car maker. Feuds such as Fiat's Agnelli family effecting 200,000 workers are more like a soap opera and only less so in Alessi, Zegna, Barilla, Ferrero, Lavazza and Ferragamo. Marx's insistence on industrial democracy and citizen control of industry holds the prospect of industry and employment as a PV not a plaything of the rich.

Is family capitalism most suited to sectors (long-term patient investment) and cultures, perhaps more long-term and rational? Big family companies are stronger in weak democracies (less state interference). Hence stable sectors such as steel-making, which are heavily dependent on state infrastructure and fortune. For example, many of the family firms in Germany thriving after the 1870s, were *Mittelstand*, some less suited to post-1945 growth. In Italy, economist Cattaneo (2013) celebrated Milanese family companies exchanging information and capital investment. *Capitalism without capital* (Haskel and Westlake 2018) typifies the external dependency of Italian companies, for example using family wealth to bail-out ailing subsidiaries. Today, family companies reach into international banking and inter-locking directorships with other family firms, constituting a powerful lobby with the EU.

Family-based capitalist enterprises continue to be important employers, while family control falls short of democratic control as Preobrazhensky (1926) argued they may ally in primitive socialist accumulation in the early phase of a socialist transition.

Self-exploitation

Starting up a business from being unemployed is often the worst possible beginning since the entrepreneur lacks social and business network: 'forced' business startup can rapidly descend into the self-exploitation by not taking a wage or working excessive hours to keep the business afloat. Self-exploitation can offer autonomy and control or, petty commodity production may end up far from being self-fulfilling especially if a business dies with debt and personal bankruptcy. Extreme self-exploitation is akin to super-exploitation: working for a wage insufficient to reproduce a family.

Family businesses with a tradition or a holding on to farm property despite self-exploitation are recipes for alienating psychological illness. Other examples of self-exploitation to protect a family home include shops with a house attached or 'tied' accommodation. Another example is where a VC firm insists on entrepreneur

contribution, which can involve giving the family home as security for a bank loan. The miner knowing his/her health is deteriorating but without alternative work is an extreme self-exploitation.

Self-exploitation involves the workers accepting individual blame and responsibility often for circumstances prescribed by the capitalism system. Individuals blaming themselves for their own unemployment can enter self-exploitation of a different sort by investing in employability skills/attitudes development when their spatial area or sector is short of jobs. Here too the individual faces the dissonance between their believed route into work and the governing material reality. Sometimes this is organised by state labour market activation policies that insist upon fruitless interview skills training or work-for-benefits supposedly empowering and restoring work discipline, when draining esteem from the unemployed worker (Reid 1934; Tronti 1963). Employability is an illusory concept perpetrated by Governments faced with job shortages, shifting the onus psychologically on to the unemployed person. It is a cruel deception that self-mastery can overcome socio-economic forces.

In summary, family businesses contribute significantly to global GDP and range from Mum-n-Pop shops to major auto and steel companies. They main promote employee trust and commitment and exact higher rates of exploitation. A major danger, Marx points out, for family businesses is self-exploitation, which takes many forms, however, the result of which is pay for one's own employment in value distributed to customers. In some instances, family firms (for example, in national independence struggles) may support socialist transition.

8.9 The Abolition of the Family and De-familisation

Household work creates labour (babies and new workers), the capitalist buys labour-power. Dialectically unpacking this labour/labour-power puzzle holds the key to how social relations of reproduction and social relations of production interlink (Marx 1859, *Preface*). Labour is the UV created in households, largely by unpaid women's labour in nurturing and socialising the child until, as a labourer, s/he is ready to join the labour market. In hiring labour, the capitalist gains control to direct labour-power into creating EVs by providing the capital equipment, organisation, processes and linkages to markets selling products. As Marx says

Labour-power, however, becomes a reality only by its exercise; it sets itself in action only by working. But thereby a definite quantity of human muscle, nerve, brain, &c., is wasted, and these require to be restored. (Capital, V-1: Chap. 6).

This 'restoration' of the labour-power's ability to create value, and only labour can create value without it there is inaction, becomes the food, clothing and emotional nurturing of the labour when s/he returns home. Metaphorically, when the work uniform is taken off, labour-power returns to labour, the *appendage to a machine* returns to non-capitalist living, noting that this living also reproduces the next day or next generation of labour. Only labouring for the capitalist creates EVs and is

productive labour from the viewpoint of capital: labouring in the home creates UVs, value the consumption and distribution of which is not mediated by the market. This distinction between labour and labour-power was clear in Marx's Preface (1859), *Value, Price and Profit* (1865) and *Capital* (1867).

Labour/work (in the household) and labour-power (for a capitalist) are each process working on natural artefacts. V-I:283 *Labour is first of all a process between man and nature*: labouring mediates nature, sets natural forces in motion, acts upon external nature and changes it. Metabolic rift: as concrete labour (re)-makes social relations. SRT deeper than just capitalism harms nature. Labour in a serf household for example, reproduces the serf family (V-I:531). In the working-class household labour is part of *self-preservation and propagation* (V-I:718). As Marx says, V-I:565 *A society can no more cease to produce than it can cease to consume .. every social process of production is, at the same time, a process of reproduction*.

The transition from feudalism (Wood 1991, 2006) saw landless labour migrating into factory work seeking money wages with which to buy food, etc., otherwise unavailable. The worker must create the EVs the capitalist demands to survive. As Bhattacharya's (2017) discussion of social reproduction theory makes clear, we must be careful not to think of this in a circular manner without class conflict. French Regulation Theory (Aglietta 1979) and Bourdieu (1984) can slip into a functional circularity. Tensions from the home (insufficient money and psychological distress) are part of what impels the worker into conflict over wages.

The Abolition of the Family

What are we to make of the *Communist Manifesto* call for abolition of family as founded on private property? CM: *all family ties among proletarians are torn asunder and their children transformed into simple articles of commerce and instruments of labour*. Marx dismissed utopian calls for free love and sexual fantasies, by Fourier, and included (remember this is mid-nineteenth century) an understanding of gays (1869 Ulrich letter). Marx and Engels focus was on the working-class family and the appalling suffering brought by capitalism (1844 Engels *Conditions*) especially in the lives of women, traced by Engels (*Origins* 1884) to private property and inheritance in the bourgeois family model (Hartmann 1981). It is this suffering and this model that they call to be abolished, each valuing the *mutual affection* in relationships founded on equality, as Marx did with Jenny and Engels with the Burns Sisters. Collectivising domestic chores, now in the form of health, education and care public services is their chosen route to abolishing drudgery and patriarchy.

Struggles over pay can have wide social consequences. So it was with the 1888 Matchgirls dispute in London supported by the Marxists of the day, including Engels. The Silvertown strike of 1889 of women workers not supported by their craft (male) colleagues generalised from a pay dispute into one raising questions about the family and role of women, helped in no small way by Eleanor Marx's political leadership. As William Crook commented, *.. the same sun that never set on the Empire, never rose in the dark alleys of the East End*. These disputes gave rise to general trade unions in Britain and political socialist organisations.

In the colonial setting conditions for women in the family were much worse. Olusoga and Erichsen (2010) account of German ethnic cleansing in West Africa is but one example. Du Bois (1935) notes the pain of separated families and sexual exploitation by US slaveowners. Brecht later ironically commented, *As you know, it is alright to treat barbarians, barbarically*. This is why early Soviet equal pay, divorce and abortion rights sounded loudly across the world carried in Kollontai's (1911) *Communism and the Family*, implementing some of the principles Bebel (1998) had expounded in *Women and Socialism* and the campaigns of Clara Zetkin in Germany. In China, where women are said to hold up half of the sky, equal rights for women were written into the 1954 constitution. While attitudes are still changing, women as *comrades in kinship* (Lewis 2019) enjoy equal education, pay and social rights, most importantly the abolition of poverty. A major challenge as families adopts the 4-2-1 model will be using technologies and expanding public services to meet the challenges of filial responsibility with a rising dependency ratio (Gaskin 2001).

Esping-Andersen (2000) argues that de-commodifying services extends the reach of equality for women. Thus, decommodification creates de-familisation. Already this social change is evident: about 35% of USA adolescents live without one of their parents, and around 40% of American children are born outside of marriage. While over half middle-class Americans married, only quarter of poor Americans are (Wilcox and Wang 2017). Less than half of black children have a man in the home; only a minority of black families follow the bourgeois family model the others a wide diversity of hybrid models, supported by public services, which become scaffolding for abolition of the family and autonomy for women. The Finnish Moomin children's stories capture de-familisation in the flesh, introducing social upsets that disrupt bourgeois family living.

8.10 Conclusions: Families, Capitalism, Public Services and Socialism

Family control of women, e.g. veiling (Llewellyn-Jones 2010) extended into feudal dress codes with patriarchy dominant protecting private property (Engels *Origins*) and giving rise to the state. De Beauvoir's claim that *this has always been a man's world* is a-historical, since the role of women and the family alter with context and culture. Victorian 2 + 2 families were confined to propertied classes (some have more children), working-class families took a hybrid form, often outside of marriage. Feudal families created and consumed UVs, modern day families are envisaged by capitalism as units of production, however, increasingly women work outside the home and perform a triple shift creating and distributing UVs that have PV (LO-1). The family is part of the battlefield between state-family-market as to which governance should provide public services; for socialist collective service (childcare, health, food, cleaning and laundry) is part of envisioned change.

The family mediates between the state and market, it is the point where social relations of production and social relations of reproduction meet. Either PV public services are created by the family or offered by the state, or where neoliberalism is success, the services are offered as for-profit EVs on markets. UK research (Kinder and Stenvall 2021) suggests that UVs now outweigh EVs in value production.

In many societies, young women are delaying or avoiding marriage and child-birth, working to secure their own property, not reliant on inheritance governed by families. Young people now often participate in chosen-families, hybrid in nature, stepping outside of patriarchal and property-oriented relations. Mitterauer and Sieder (1982) correctly conclude that families are fluid, with the bourgeois ideal challenged: de-familisation is an important social trend. Some women choose full-time motherhood Holmstrom (1981) notes, though working-class women always worked, now joined by single parents.

Women continue to face discrimination in external and internal labour markets, often part of the industrial reserve army of labour called into employment as capitalism needs.

LBGHT+ relationships are increasingly legalised. Ambiguously the family offers love and altruism and perhaps also domination by male partners, opportunities for women's self-expression and a tiring second shift, sexual satisfaction and perhaps abuse. Coontz's (2016) *The Way We Never Were* is increasingly dated.

Home-working (technologically-assisted) is increasingly popular and referencing LO-2 while family businesses remain important however with the danger of self-exploitation and patriarchy within the business. Thus, as both UV creators and potential the base for family businesses, families are returning to providing both production and consumption (however, unlike feudalism products largely for sale).

While not disappearing, the material basis for patriarchy is disappearing, in part because the scope of public services is extending (LO-3). Marx's concepts in relation to the family and patriarchy have stood the test of time, especially the contradictions between social relations of production and social relations of reproduction—the point at which the family bridges socio-economic activity and the point where public services relieve women of individualised labour and instead offer collective solutions.

References¹

- Aglietta M (1979) *A theory of capitalism regulation*. Verso, London
 Bambra C (2007) Defamilization and welfare state regimes: a cluster analysis. *Int J Soc Welf* 16:326–338

¹To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, *Capital* is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of *Capital*. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Bebel A (1998) August Bebel-His thoughts and works, vol 15. Deep and Deep Publications
- Benston M (1969) The political economy of women's liberation. *Mon Rev* 21(4):13–27
- Berman M (2010) All that is solid melts into air. Pluto Press, London
- Bhattacharya T (ed) (2017) Social reproduction theory: remapping class, recentring oppression. Pluto Press
- Bourdieu P (1984) *Distinction*. Routledge, Abingdon
- Brenner J 1976 (2000) Women and the politics of class. Monthly Review Press, New York
- Brenner J (1999) Women and the politics of class. Monthly Review Press
- Brown HA (2012) Marx on gender and the family: a critical study. Brill, New York
- Cattaneo O, Gereffi G, Miroudot S, Taglioni D (2013) Joining, upgrading and being competitive in global value chains: a strategic framework. World Bank Policy Research Working Paper 6406
- Coontz S (2016) The way we never were: American families and the nostalgia trap. Basic Books, New York
- Coote A, Percy A (2020) The case for universal basic services. Polity, Cambridge
- Costa MD, James S (1971) The power of women and the subversion of the community. Petroleuse Press, New York
- Creighton C (1985) The family and capitalism in Marxist theory. In: Shaw M (ed) *Marxist sociology revisited*. Springer, pp 181–213
- Davidson-Smith D (2022) A woman's place. *Hist Today* 72:1
- De Haas F, Mansfeld J (1997) Aristotle's on generation and corruption, Book-1. Oxford University Press, New York
- Dobb M (1963) *Studies in the development of capitalism*. Routledge, London
- Du Bois WEB 1935 (2019) *Black Reconstruction: an essay toward a history of the part which black folk played in the attempt to reconstruct democracy in America 1860-1880*. Free Press, New York
- Duncan S, Edwards R (2003) State welfare regimes, mothers' agencies and gendered moral rationalities. In: *Thoughts on family, gender, generation and class, A Festschrift to Ulla Bjornberg*. Göteborgs Universitet, pp 2–23
- Dunayevskaya R (1943/1988) *Marxism and Freedom: from 1776 until today*. Columbia University Press, New York
- Ermisch J (1990) Fewer babies, longer lives. Joseph Rowntree Foundation, York
- Escobar A (1995) *Encountering development—the making and unmaking of the third world*. Princeton University Press, Princeton, NJ
- Esping-Andersen G (1990) *The three worlds of welfare capitalism*. Polity Press, Cambridge
- Esping-Andersen G (2000) *Social foundations of post-industrial economies*. Oxford University Press, Oxford
- Faulkner W, Senker J (1994) Making sense of diversity: research linkage between industry and public sector research in three technologies. *Res Policy* 23(6):673–695
- Federici S (1975) *Wages against housework*. Falling Wall Press, Bristol
- Folbre N (1982) Exploitation comes home: a critique of the Marxian theory of family labour. *Camb J Econ* 6(4):317–329
- Fraser N (1995) From redistribution to recognition? Dilemmas of justice in a 'post-socialist' age. *New Left Rev* 212
- Fraser N (2000) Rethinking recognition. *New Left Rev* 3:107–120
- Galbraith JK (1963) *American capitalism: the concept of countervailing power*. Penguin, London
- Gaskin H (2001) *An Introduction to Chinese culture through the family*. State University of NY Press, New York
- Gilmore RW (2007) *Golden Gulag – Prisons, Surplus, Crisis and Opposition in Globalising California*. University of California Press, Los Angeles
- Ginsborg P (2003) *Italy and its discontents 1980-2001*. Penguin, London
- Goldin C, Katz LF (2002) The power of the pill: oral contraceptives and women's career and marriage decisions. *J Polit Econ* 110(4):730–770
- Goodhart D (2017) *The road to somewhere: the populist revolt and the future of politics*. Hurst Publisher, London

- Haagh L (2019) *The case for universal basic income*. Polity, Cambridge
- Hakim C (2011) *Honey money: the power of erotic capital*. Penguin UK
- Hartmann H (1981) The unhappy marriage of Marxism and feminism. In: Sargent L (ed) *Women and revolution*. Black Rose Books, Montreal
- Haskel J, Westlake S (2018) *Capitalism without capital: the rise of the intangible economy*. Princeton University Press, New York
- Hilton R (1976) Feudalism and the origins of capitalism. *Hist Work J* 1(1):9–25
- Holloway J, Peláez E (eds) (1998) *Zapatista! Reinventing revolution in Mexico*. Pluto Press, London
- Holmstrom N (1981) “Women’s work” the family and capitalism. *Sci Soc* 45(2):186–211
- Holsinger DB, Kasarda JD (1974) Does schooling affect birthrates? *School Rev* 84(1):71–90
- Holstein JA, Gubrium JF (2000) *The self we live by: Narrative identity in a postmodern world*. Oxford: Oxford University Press
- Isenberg I (2016) *White trash: the 400-year untold history of class in America*. Viking, New York
- James H (2006) *Family capitalism: Wendels, Haniels, Falcks, and the Continental European Model*. Belknap Press, Cambridge, MA
- Jansson JO (2013) *The economics of services—micro-foundations, development and policy*. Edward Elgar, Cheltenham
- Kinder T, Stenvall J (2021) Public value and public services in the post-virus economy. *Public Sector Econ* 45(3):329–361. <https://doi.org/10.3326/pse.45.3.x>
- King S (2021) Imperialism and the development myth: how rich countries dominate in the twenty-first century. Imperialism and the development myth. Manchester University Press, Manchester
- Kollontai A (1909) The social basis of the woman question. <https://www.marxists.org/archive/kollonta/1909/social->
- Kollontai A (1911) Love and the new morality. <https://www.marxists.org/archive/kollonta/1911/new-morality.htm>
- Kollontai A (1923) Make way for Winged Eros: a letter to working youth. <https://www.marxists.org/archive/kollonta/1923/winged-eros.htm>
- Kollontai A (1927) *Red Love*. Seven Arts Publishing Co, New York
- Kosminsky EA (1956) *Studies in the agrarian history of England in the thirteenth century*. Oxford University Press, Oxford
- Kristof ND, Wudunn S (2013) *Half the sky: how to change the world*. Knopf, London
- Landes D (1983) *Revolution in time and the making of the modern world*. Harvard University Press, Harvard, MA
- Laslett P (1992) Europe’s happy families. *Hist Today* 42:3
- Leong N (2013) Racial capitalism. *Harv Law Rev* 126:8
- Lee Kuan Yew (1996) *The Wit and Wisdom of Lee Kuan Yew*. EDN, Singapore
- Leibenstein H (1966) *Allocative efficiency and X-efficiency*. OUP, Oxford
- Lewis WA (1954) *Economic development with unlimited supplies of labour*, vol 22. The Manchester School, pp 139–191
- Lewis J (1992) *Gender and the development of welfare regimes*. *J Eur Soc Policy* 2(3):159–173
- Lewis S (2019) *Full surrogacy now: feminism against family*. Verso, London
- Lister R (1997) *Citizenship: feminist perspectives*. Macmillan, London
- Llewellyn-Jones L (2010) *Aphrodite’s tortoise: the veiled woman in ancient Greece*. Classic Press of Wales, Cardiff
- Luxemburg R (1900/1982) *Reform or revolution*. Militant Books, London
- Malthus T 1798 (1992) *An essay on the principle of population*. Cambridge University Press, Cambridge
- Martin CL, Fabes RA (2001) The stability and consequences of young children’s same-sex peer interactions. *Dev Psychol* 37:431–446
- McDowell C, De Haan A (1997) *Migration and sustainable livelihoods: a critical review of the literature*. Institute of Development Studies, Sussex
- Marx (1859) *Critique of political economy*. Marx & Engels collected works, vol. 29. Lawrence & Wishart
- Mitchell J (1966) *Women: the longest revolution*. *New Left Rev* 40
- Mitterauer M, Sieder R (1982) *The European Family*. Basil Blackwell, Oxford

- Olusoga D, Erichsen CW (2010) *The Kaiser's Holocaust – Germany's Forgotten Genocide and the Colonial Roots of Nazism*. Faber and Faber, London
- Olusoga D (2016) *Black and British – a forgotten history*. Macmillan, London
- Pfau-Effinger B (1998) Gender cultures and the gender arrangement—a theoretical framework for cross-national gender research. *Innovation* 11(2):147–166
- Pizzigati S (2018) *The case for a maximum wage*. Polity, London
- Preobrazhensky E 1926 (1965) *The new economics*, 2nd edn. Clarendon Press, Oxford
- Reid M (1934) *Economics of household production*. Wiley, London. <https://archive.org/details/economicsofhouse00reid/page/n3/mode/2up>
- Robinson CJ (1983/2021) *Black Marxism—the making of the black radical tradition*. Penguin, London
- Ross P (2022a) *How the workers' parliaments saved the Cuban revolution: reviving socialism after the collapse of the Soviet Union*. Monthly Review Press, New York
- Ross P (2022b) *How the workers' parliaments saved the Cuban revolution*. Monthly Review Press, New York
- Sacks MP (1974) *Sex roles in soviet Russia: continuity in the midst of change*, vol I–II. University of Michigan
- Saraceno C (2011) Beyond care. The persistent invisibility of unpaid family work. *Sociologica* 1:0
- Scheidel W (2017) *The great leveler: violence and the history of inequality from the stone age to the twenty-first century*. Princeton University Press, Princeton, NJ
- Secombe W (1974) The housewife and her labour under capitalism. *New Left Rev* 83:3–24
- Smith J (2016) Imperialism in the twenty-first century—globalisation, super-exploitation and capitalism's final crisis. Monthly Review Press, New York
- Smith LM, Padula A (2008) *Sex and revolution: women in socialist Cuba*. Oxford University Press, New York
- Standing G (2011) *The precariat—the new dangerous class*. Bloomsbury, London
- Thane P (ed) (2005) *The long history of old age*. Thames & Hudson, London
- Thompson EP (1967) *The making of the English working class*. Pelican, Harmondsworth
- Thompson EP (2013) *Whigs and hunters—the origin of the black act*. Breviary Staff Publications, London
- Todd E (1987) *The Causes of Progress - Culture, Authority and Change*, Basil Blackwell, Oxford
- Toupin L (2022) *Wages for housework: a history of an international feminist movement*. Pluto Press, London
- Tronti M (1963) Capital's Plan, *Quaderni Rossi*, in Anastasi A, 2020, *New Uses for Old Thought: Mario Tronti's Copernican Revolution, 50 Years On*. *Crit Sociol* 46(7/8):1301–1309
- Vogel L (1983) *Marxism and the oppression of women*. Haymarket Books, Chicago, IL
- Webb J, Collis P (2000) Talking it over: the agony and the ecstasy of the creative writing doctorate. *Text* 21(Special 44):1–16
- Weikart R (1994) Marx, Engels, and the Abolition of the Family. *History European Ideas* 18(5):657–672
- Wilcox WB, Wang W (2017) Marriage divide: how and why working class families are more fragile today. American Enterprise Institute. <https://www.aei.org/wp-content/uploads/2017/09/The-Marriage-Divide.pdf>
- Wolf ER (1969) *Peasant wars of the twentieth century*. Harper & Row, London
- Wolf A (2013) *The XX factor: how working women are creating a new society*. Profile Books, London
- Wood EM (1986) *The retreat from class: a new true socialism*. Verso, London
- Wood S (ed) (1989) *The transformation of work*. Unwin Hyman, London
- Wood EM (1991) *The Pristine culture of capitalism: a historical essay on old regimes and modern states*. Verso, London
- Wood EM (1999) *The origin of capitalism—a longer view*. Monthly Review Press, New York
- Wood EM (2006) Democracy as ideology of empire. In: Mooers C (ed) *The new imperialists: ideologies of empires*. Oneworld Publications, Oxford, NY
- Wood EM (2012) *Liberty and property—a social history of western political thought from renaissance to enlightenment*. Verso, London
- Yutang L (1936) *My country and my people*. Heinemann, London

Chapter 9

Marx, the Third-Sector and Public Services



Abstract Third-sector (3S) groups are an increasingly important source of use-values (UVs aggregating into public value, PV), and more people engage in voluntary activities or alternatively the state withdraws from providing services forcing communities to create alternative services: capturing the ambivalent role of the 3S—enabling concerned citizens to help others by providing use-values or alternatively substituting for what should be state services. Cooperatives and volunteer groups can be a source of social innovation and social solidarity; social structures outside capitalist control and market mediation, some with a campaigning role challenging neoliberal cutbacks or inadequate state services, some religious or small local groups: an ideology building alternatives to capitalism or one covering its gaps. The chapter examines different 3S structures and the diverse use-values they offer critically evaluating billionaire philanthropy by people avoiding paying taxes providing resources subject to democratic control, coproduction as a service strategy, corporate social responsibility and crowdfunding services.

9.1 Introduction

Use-values (UVs) created and distributed without recourse to the market are economically significant—perhaps creating more value (if prices are attributed) than capitalist exchange-value (EV) commodities. If so, this would be a momentous conclusion adding a new line of argument against the continuation of capitalist institutions, questioning why states support capitalism. Chapter 6 concluded that capitalism not only holds back technological development of productive forces, but it also holds back activities benefiting nature and social relations without inefficient and costly market mediation. If, instead of producing for profit, productive resources are used to meet social need, the pace of scientific advance is likely to increase, since more people will voluntarily become actively engaged in creating and sharing innovative ideas, as the Cuban story reveals. Volunteers join 3S activity to help solve social problems.

The third-sector (3S) occupies the space between the public and private sector, between state and market. Here we categorise the 3S into three levels of activity (a) what Burke (1790) called the *little battalions*, and Bellah et al. (1996) *Habits of the Heart*; the small groups of volunteers providing small community-level services, (b) larger-sized, mid-level 3S, providing services (sometimes-trading), often grant-aided by the local state and sometimes employing small numbers who work with volunteers; and (c) large 3S foundations, either grant-aiding other 3S groups (foundations) or themselves providing services (sometimes traded), working at times in public–private partnerships (PPPs) with private sector organisations.

3S activity is economically significant: 30-million staff in the EU, 14% of GDP, 5.5% in the USA and 1% in the UK with 1.1-million staff. China has a vast network of non-governmental organisations and a burgeoning array of foundations.

Etzioni's (1968) *Active Society*, the EU social market economy (Esping-Andersen 1990), argues for coproducing (unpaid) volunteers, as part of NPM, substituting for withdrawn state services (Evers and Laville 2004)—occurring across micro to macro governances (Staetsky and Mohan 2011; Phillips and Smith 2011; McCulloch 2011). This may simply be Leibenstein's (1966) allocative efficiency, redistributing who pays the cost.

Marx and Engels focused on the political impact of charity, as weakening working-class confidence and self-activity, encouraging quietude and feeding the illusion that capitalism as a system is not the root cause of problems such as poverty. 3S volunteer, however, may express social solidarity, creating UVs amounting to PV, illustrating the new social relationships that socialism can bring.

Structure

What do we know section is in three parts: (a) 3S structures, foundations, charities and billionaires and religion-based 3S work; (b) altruism, coproduction in the 3S, crowdfunding and social innovation; and (c) a critique of philanthropy. Assessing Marx's contribution covers 3S as dis-alienating activity, worker's democracy, the dictatorship of the billionaire substitution for state services and whether the 3S is more innovative than other sectors and concludes with an assessment of 3S and philanthropy.

Learning Objectives

LO-9.1: The 3S generates significant value-flows, adding to the UVs created by the statutory public sector and households. This sector ranges across localised value-flows to large international programmes with major donors; success factors vary considerably. 3S activity aims to solve problems, intractable to other agencies and the market. In special cases, PPPs overlap with 3S activity blurring the for/not-for-profit line. Overwhelmingly, 3S activities generate non-market UVs, concretely offering solutions to problems people face, adding to PV stock and flows.

LO-9.2: Historicising the 3S entails looking at their evolution, their role in transition from feudalism and potential in transitioning from capitalism to socialism. This is grounded by surveying their growth, nature, scope, size and significance for public services and socio-economic context, including a clear perspective on the diversity internationally of 3S processes, outputs and outcomes.

LO-9.3: A Marxist dialectic draws us towards examining how the 3S and public services interpenetrate, what conflicts arise, how problems are framed and approached and how charity affects alienation, economic democracy and self-activity of the working-class. This includes accountability over project choice, methods and goals. Other value-flow issues are to what extent 3S UVs create PV, whether public sector services are preferable, the dangers and advantages of venture philanthropy and is there a mimetic transfer of methods into public services and, if so, is it valuable?

9.2 What Do We Know?

9.2.1 Structures

Structures of Voluntary Organisations

3S groups target intractable social issues that the state or markets and families find difficult to address. Examples by size are shown in Table 9.1.

Categories shown are descriptive not definitions. Chapter 10 analyses public-private partnerships; these can be built environment or service infrastructure with a value-flow into the whole community, for development or modernisation purposes. Large foundations might undertake similar projects, however, with not-for-profit intentions, and unlike most PPPs not subject to competition and compulsory tending rules. Overlaps can also be found in organisational forms: both large foundation infrastructure and PPPs adopt an array of hybrid governance forms, including public governance. Here the differentiation is that nearly all parties in PPPs seek value-flows resulting in profit/surplus, whereas even in similar projects such as 3S at least some of the parties are non-profit.

Involvement of Foundations and High-Net Worth Individuals (HNWIs) in 3S Organisations

Charitable foundations vastly exceed investment/grant levels of small and mid-sized charities. Foundations often grow in step with the expansion of billionaires to number about 1800 with total assets of US\$-6 trillion (US\$ 6,000,000,000,000,000, i.e. larger than all country's GDP except China and the USA). Half of these high-net worth individuals (HNWIs) are Asian, 500 North American and 300 European. The twenty-first-century growth of billionaires is associated with neoliberal tax concessions (supposedly trickle-down economics) and the rise of fictitious capital

Table 9.1 Organisational forms of 3S

Size	Organisational form	Example	Defining characteristics
(a) Small	Local volunteer group	University of Third Age School football league Town Clean up group neighbourhood Watch	Habits of heart Burke's little battalions
(b) Mid	Charities	Red Crescent/Red Cross YWCA	Tax concessions on contributions; official audit
	Faith-based	Mosques temples churches	Localised, often family related
	Advocacy group	Greenpeace; World Wildlife Fund; Privacy International	Non-political campaigning
(c) Large	Social welfare organisation	Environmental Protection Agency (EPA) Human Rights Watch	Advocacy
	Foundation (traditional)	Ford—Grant giving	Intractable social problems Major donors Seek additionality
	Foundation (venture philanthropy)	Suzuki Foundation Gates Foundation	Apply business skills/ experience Equity, RoI

investments (financial assets disconnected from material assets) traded for profit. (Remember the mass of profit may rise even as the rate of profit falls, Chap. 7.) Recently, charitable foundation spending has grown by 8% per year, and 19% in 2020–2021 to an annual US\$ 87 billion. Corporate-related foundations are also now growing fast. The Gates Foundation is the largest with US\$-50-billion endowment, followed by Johnson, Garfield Weston, Wellcome, Mellon, Hewlett, Open Society and Ford. Apart from philanthropic projects, they spend on political lobbying, the arts and sports. Their spending often has little wider accountability.

Asian Philanthropy

Chinese philanthropy has a historic tradition with emperors supporting philanthropy (often water management and exemplar projects (Bakken 2000)), for example schools and scholars taking state exams. Micklethwait and Wooldridge (2014), *Economist* editors, found the small to mid-sized 3S flourishing with thousands of 3S non-government organisations registering with Provincial Councils and providing a wide range of service, often elder care. With more billionaires than the USA, 46 of the 200 wealthiest people in China have foundations, and it is *de rigour* for large companies to establish foundations as part of corporate social responsibility encouraged by President Xi.

India also has a long tradition of philanthropic giving, especially associated with Buddhist *dasra* (enlightened giving). However, its 50 billionaires and companies are less included to establish foundations, much of the ground being already occupied by British foundations with international reach, such as Save the Children and Oxfam.

Religious-Based Charities

Foundations and charities with a religious mission often cite altruism as a motivation. For example, all Muslims with savings above needs are obliged to pay 2.5% *Zakat*, to purify wealth Sadaqah (whatever is affordable), with richer families making a Waqf endowment in perpetuity (such as sponsoring a hospital). These can be paid to the Mosque or registered charities. The amounts gathered, Hasan (2018) notes, vary enormously between the 47 Muslim majority countries from rich Qatar and Brunei to poor Eritrea, Guinea-Bissau, Niger and Sierra Leone. Note that Islamic charity comes with a Qur'anic qualification (13:11) [*V*]erily never will Allah change the condition of a people until they change it themselves. As Adamson (2018) notes the major Islamic philosophers (Al-Farabi, Avicenna, Al-Kindi, Al-Ghazali) echo this taking of responsibility as a provision to forbidding harm and promoting justice.

A major theme of the Protestant Reformation in Christianity (Skinner 1978; MacCulloch et al. 2004) was that good works or purchasing indulgences are insufficient to enter heaven, hence the popularity of Smiles *Self Help*. Several Papal Bulls praise charities as alternative to communist collectivism, criticising 'chosen' poverty as a cleansing strategy. Orwell's (1936) *Wigan Pier* shows there is no dignity in poverty.

Religious charity is given special mention because of its association with Marx's ironic the *heart in a heartless world*. Tuğal (2016) accepts this arguing that Marx, like nineteenth-century liberalism, was wary of interdependency, whereas twenty-first-century liberalism views generosity as hiding exploitation: its dependency degrading to subordinate classes. Liberation theologians may disagree.

Corporate social responsibility (CSR), Gautier and Pach (2017) suggest, is *voluntary and unconditional transfers of cash or other assets by private firms for public purposes*. Bekkers and Wiepking (2007), Wiepking and Bekkers (2011) find *doing good* motivates CSR: using profit for common good without anticipating a return, though there may be a marketing benefit. Favoured by larger and customer-facing companies (Fry 1982), tax concessions incentivise CSR. Žižek (2010) points to *non-love*—assuaging guilt while continuing in luxury.

Social, corporate and religious philanthropic activity continues, as do questions around the social impact of such activities.

9.2.2 Activities

Altruism

Philanthropy overwhelmingly targets social group and needs: its targets are general. Altruism, as Hume (1739) clarified, relates to a known individual; it is a concern for the welfare of others with whom we show empathy, confusingly termed sympathy in Smith's (1759) *Moral Sentiments*. While Hume's 'self' alters with circumstances, it remains a self-referencing code of behaviour, unsophisticated compared to Marx's species-being, the dis-alienated human relating free with other humans and nature

in circumstances supporting the absence of alienation. Many people point to the seeming inconsistency in Smith (1776) *Wealth of Nations* (*not for benevolence that butcher, baker*). Bourgeoisie ideologues ignore the fact that Smith is accompanied by a *Disinterested Judgement* moral conscience as well as an invisible hand: there is no inconsistency: one is market-mediated and the other unmediated (Sayers 2011), quite the opposite of Mandeville's (1714) *Fable of the Bees* self-interestedness.

Today, sympathy (wishing others not harmed) contrasts with empathy—standing in the shoes of others (like Aristotle's friends). Feeling emotions throughout life-as-lived, in learning and relationships. Though Kahn (1981) questions if it really is possible to stand in another's shoes and Svendsen (2010) how far its opposite (deliberately doing evil) exists (also Baumeister 2012). Trust can be interpreted (e.g. Trivers 1971) as reciprocal altruism, i.e. trying to relieve other's pain (Nagel 1970), especially if in the short-term pain is caused. Rawls' (1971) *Theory of Justice* is a high bar as are all Kantian *do as you would be done by* moral precepts. Socially conscious public services staff and many in the 3S nevertheless try to act empathetically, with Slote (2007:116) arguing it is the *cement of the moral universe*: altruism is rational.

For bourgeois economists such views are anathema; they insist that people are selfish and pursue selfishness rationally, like some programmed decision machine. Arrow (1951) for example advises against the deployment of ethics in economic decision-taking: *I do not want to rely too heavily on substituting ethics for self-interest*; ethics for neoliberal economics is reserved for market failure. This sounds like the self-help liberals of Marx's day. For economists, altruism is always second best.

De Beer and Koster (2023) favour a neoliberal view and argue that the whole welfare state is built on altruism ignoring the fact that rich people only pay tax when they cannot avoid doing so; legal obligation not altruism is their motivation. Evil is a moral not a materialist category; it is idealist, often describing indescribable horrors such as the African holocaust. Thankfully authors such as Nietzsche (2010) justifying the strong acting immorally towards the weak are an extreme minority as Baumeister (2012) acknowledges.

Marxism is not a moral philosophy. The un-alienated species-being is materialist, heralding a communist future. Moral altruism will not rid society of capitalist alienation which requires changes in material well-being and social and environmental relationships. Scruton and Finnis's (1986:113) view that Marxism is a *superstitious belief in a transformed human nature* betrays his own naturalistic perspective on human nature.

Crowdfunding

Crowdfunded 3S projects marshal financial resources from many small contributions, creating legitimacy using an online pitch, improved by interaction with contributors (Frydrych and Kinder 2015; Frydrych et al. 2015). Most 3S crowdfunding is reward-based; i.e. there are no distributed profits. Contributors may receive reports/art-work from beneficiaries. Entrepreneurial legitimacy (including risk

assessment) and resource marshalling are conducted digitally using one of the many dedicated platforms (Ingram et al. 2013). Examples might be a school building, medical centre or job creation in a spatially deprived area bereft of fund-raising networks. Crowdfunding creates a goal-oriented social network with trust built from interactions and the value of the project. When sufficient resources are assembled the tangible phase of completing the project on the ground begins, often enhancing online interactivity. This 3S model disintermediates traditional fund-raising routes with the quality of the pitch (often a video) increasing likely success. www.Crowdfunder.co.uk gives examples of successful projects.

Social Innovation

Social innovation and entrepreneurship are two perspectives on the same processes; entrepreneurship emphasising risk-taking (often a new business model and new ways of working) and marshalling resources to introduce a new service. Innovation more closely examining the technical dimensions of change and its success, in terms of social, technical and market acceptance. Entrepreneurs negotiate marshalling resources (investment funds, intellectual property law and standards, assembling the right people for the business model and a route to market). Innovators are concerned with complementarity of associated other technologies and how the new technology will work in target context, for example basic infrastructure (roads, power, water, ICTs).

Social innovators, Mulgan (2006), are motivated by meeting a social need rather than a for-profit filling a market gap; as he pointed out, this is only possible with high levels of trust at the local level where the innovation is targeted. City-wide examples, *turnaround* cities in the USA, are led, Lauria (1997) notes, by cross-governance *urban regime coalitions*. Social innovation may respond to austerity-driven cutbacks, what Jessop (1994) called the *hollowing -out* of the welfare state, involving local people coproducing (for example) a closed library or youth centre.

Both social innovators and social entrepreneurs need to assemble a change team with appropriate skills, often the major barrier to introducing change, especially since for-profit ventures may offer better salaries (Kinder 2010). An advantage of social entrepreneurs is a close partnership with the local communities and the local state; they can use trust-laden business models unavailable to for-profit ventures.

Social innovation may involve, as Green (2005) argues, a new service product, an example being the Town Centre integrated service centres for elder care in Tampere, Finland (Tirronen et al. 2020a). Alternatively the innovation may introduce a new process, such as learning from practice in Finnish social work shown in Tirronen et al. (2020b), combining in one place all care and medical services and including concentric housing (see Kinder 2000). Some social innovations (like Tampere) co-locate (Memon and Kinder 2016) enabling learning and subsequent innovations: co-location as Bardach (1998) and Leutz (1999) found is an opportunity to integrate local services since professionals mix and learn new opportunities for cooperation. Sports organisation in Finland shifting from network to ecosystem model (Lehtonen et al. 2021) became an enabling innovation model.

Part of the appeal of social innovations is that new leaders become involved that marshal local activists behind a change vision. Finnish research on bottom-up patterns of cross-governance local public service delivery (Kinder et al. 2020) showed how local governance-as-legitimacy emerges even against rules and procedures dictated nationally, including such diverse services as environmental protection, traffic control and services for elders. This can never be top-down; the social innovators need to build consciousness in relational leadership (Kinder et al. 2020). Social innovation targets special activities, sometimes reaching outside of formal organisational structures, project being defined as special activity featuring risk. Of concern is how far this democratic model of leadership and governance-building diffuses, or whether it is confined to special projects.

Chesbrough (2003, 2004), Chesbrough (2006a, b) alerts us to the danger of closed innovation meaning absence of learning during implementation processes that iteratively adjust final goals. Research into the Scottish Criminal Justice System on the benefits of integration information systems explored a project using Prince-2 project software. This laid out time and task, go/no-go interim achievements and strict budgetary controls. As Kinder (2010) notes, the effect of compliance with the software, a condition of the investment grant, was to *not* learn from activity and to reject obviously beneficial innovations learned during implementation. The project became a closed rather than an open innovation.

Social innovation, especially drawing in new knowledge sources, skills and capabilities, often from 3S, can introduce radical new service models and ways of working. Social innovators face the danger of substituting for ex-State services or in driving forward new models or ways of working, ignoring local concerns.

Coproduction

Coproduction is the design and/or delivery of services to the public involving service users cooperating with formal providers to improve services. Figure 9.1, taken from Laitinen et al. (2017), agrees with Greenwald and Leavitt (1984) that coproduction (often called cocreation to include co-design) varies in the degree of service user involvement. Four levels of user coproducing are shown. We argued that

Depth of user(s) involvement in codesign and coproduction	Communications	Quality of interactivity and involvement	User(s) learning footprint	User impact on service design and delivery
Passive	* Mainly from provider consulting user	* Low * User treated as customer	* Individual	* Unknown
Voice	* Two-way * Provider dominant	* Maybe deep e.g. focus groups	* Small groups set up by providers	Some feedback from providers
Participant	* Two-way * Intensive	* Full member of design / delivery team	* System reach * Equal status to pro- viders * Danger of inequality	* Traceable * Significant * Users' stake in the service
Champion	* User + providers justify to wider public	* User and provider work closely together	* System and environ- ment reach * The democratic local community	* User helps justify choices to public

Fig. 9.1 Degrees of coproduction

without involvement in production, the learning for co-design is absent and that the greater the involvement the higher the user motivation (Alford 2009). All services involve some degree of coproduction: reading this book is a ‘minds-on’ level of coproduction, watching a movie more passive. Where trust is high between providers and users, for example in AI-enabled new service design (Koskimies et al. 2023) users can deeply engage with even technical design choices (such as choice of databases and the aim of algorithmic design). Design cocreation is closely coupled (Memon and Kinder 2015).

Since Ostrom’s (1973) rebuttal of Hardin’s (1971) *Tragedy of the Commons* research on coproduction has developed, Osborne (2010) led this field expounding new public governance and later (2013) synthesising coproduction with Normann’s (2002) ideas on service management. In Osborne et al. (2014) we developed ideas on service design and coproduction. More recently, Osborne (2021) synthesising with Grönroos and Raval (2011), Grönroos and Voima (2013) ideas on service management and Vargo and Lusch’s (2008) idea of *service dominant logic*, creating the public service logic (PSL) framework.

Responding to these ideas in Kinder and Stenvall (2023) made four criticisms of PSL. Firstly, rejecting the idea that high levels of coproduction (Fig. 9.1) can become a major public service delivery means, since invariable levels of coproduction differ, meaning that levels or quality of service varies, introducing inequity. Secondly, following Leibenstein (1966) the A- (allocative) efficiency in coproduction is not an enhancement of service system efficiency, more the reallocation of cost from public service provider to coproducing user; for many users this is unaffordable or unfeasible. Thirdly, Osborne’s latest PSL ideas synthesise Vargo and Lusch (2014), when as self-confessed neoliberals they aim to diminish public services, transferring activity to the market sector. Osborne is not a neoliberal but favourably citing neoliberal work sows confusion. Finally, in 2021, Osborne follows Grönroos and Vargo and Lusch insisting that value is added created by service users and not public service providers: the patient not the doctor adds value, the pupil not the teacher. This is a perverse argument and demoralising for public service workers, often struggling to achieve fair wages and to defend their jobs. Instead, we agree with Jansson’s (2013) argument that HEC services create PV and should be expanded funded by taxation, progressively falling more on the rich. From a Marxist viewpoint it is the worker working on natural artefacts that creates value: UV in the case of public services, EV when employed by a capitalist; service users are not the creators of value; they are the consumers of value.

9.2.3 *Philanthropy*

The Rich Are Rich, Because the Poor Are Poor?

Most HNWI become rich from unearned wealth—inheritance. Since such wealth is unearned the case for taxing it is irrefutable. When the City of Seattle proposed raising a tax on employees to help fund services countering homelessness where

12,000 are counted as homeless out of a 750,000 population (1.6%), Amazon ran a public campaign against the tax, arguing against lowering its reported US\$ 240-billion annual profit. Since its profits are boosted by denying the right to organise a Trade Union, arguably any philanthropic activity of the company is paid for by its employees, not its shareholders.

Here we explore how the billionaires supporting large philanthropic trusts become rich. Is it true as Oscar Wilde (1891) argued in *The Soul of Man Under Socialism* that *[T]heir remedies do not cure the disease: they merely prolong it. Indeed, their remedies are part of the disease*. The argument here is that many wealthy individuals become wealthy by immoral means and/or ‘bad citizenship’—not paying their taxes. Morally therefore, their money is polluted, and their philanthropic efforts tainted.

In *The Theory of the Leisure Class* (1899), Veblen argued against the US robber barons; he included Carnegie, Vanderbilt, Astor, Ford, Rockefeller, Mellon, Leland Stanford, JP Morgan and Harriman the railway barons. Veblen proposed breaking up monopolies and tightening tax laws to stop the rich getting rich by avoiding paying tax. Taxation today is central to why Silicon ‘robber barons’ such as Thiel (PayPal) and Musk (X) are anti-state. Veblen catalogued some of Carnegie’s activities: paying low wages, banning Trade Unions and having Pinkertons shoot striking steel-workers. Philosophically, Veblen’s argument was that philanthropy today cannot justify activities creating poverty yesterday—it matters how the philanthropists made their money. Riches accumulated by immoral means cannot then be used for moral purpose and cannot justify rising inequality between the rich and the poor.

Kampfner (2014) asks *Is it possible to discuss the dispersal of money, without first considering how it was accumulated?* Today’s rentier-monopolists grabbing untold wealth from US big tech differ from their early twentieth-century predecessors only in that the current labour movement seems too weak to exercise any control. Here we note the ideological nature of UK neoliberal *trickle-down economics* (Martin 2013; Bauman 2013) and the anti-public service stance of the mega-rich, reliant as they are on British government support for Treasure Islands and UK/US-based accountancy and law firms (Shaxson 2016, 2018).

Marx’s view is that the rich are rich because the poor are poor: his theory of exploitation of SV is a clear exposition of the processes. Their monopolist-rentier positions are supported and protected by capitalist state and institutions such as IP law, legalities and secrecy.

Decisions on Projects

Money and power buy choice of projects, which may be at odds with either local people’s preferences or on some criteria objective needs; in making project choice, rich donors subjugate democracy, diminishing accountabilities. Richer communities may raise money for 3S projects, much more needed in other (poorer) areas that remain unserved. In the USA, donations to 501(c)(3) (tax deductible) organisations are exempt from 35% tax, costing the US exchequer US\$ 24 billion per year. This US\$ 24 billion is dedicated towards priorities set by rich individuals; had the taxes been collected, the money could have been distributed using democratically elected

channels, for example prioritising poorer communities rather than rich ones or mega-churches. Breeze's (2013) study of 60 donors in the UK concludes that donor personality and background or simply habituation govern choices: donors are not referencing public or elected representative priorities. Eisenberg (2000:47) concludes, *the public has a right to know about charitable behaviour and to demand a high degree of accountability*. Without systematic transparency and accountability, Gibelman and Gelman (2014) note, philanthropic project decisions cut across the priorities of elected representatives and hence the communities they purport to support.

Philanthropic Successes?

Scotland boasts rich connections to philanthropy. Robert Owen's New Lanark mill became an exemplar for a worldwide movement, showing that a profitable textile mill could humanise work practices and provide housing, education and healthcare. Andrew Carnegie used money made in US Steel to build libraries, support education and promote the cause of world peace. *The man who dies thus rich dies disgraced*, Carnegie wrote.

What is success in a philanthropic project and from whose viewpoint is success measured? Historically, philanthropist claims of success include Marcus Licinius Crassus' building programme in ancient Rome, tarnished only by the claim that his henchmen started fires burning peoples' homes to create building space. Cosimo de' Medici supported Michael Angelo and Leonardo, building the Uffizi and Medici Ricard Palace in Florence; meanwhile Florentines went hungry. Divine (2015) shows how Scottish philanthropists, supporting universities and building statues, often made their money on the scarred backs of African slaves. Louis IV thought it philanthropic to build Versailles even though its funding ruined the French economy and led to over a million peasants dying of starvation. Pizarro's sixteenth-century churches in Peru were built using gold previously belonging to slaughtered Amerindians. Mobutu's Gbadolite built a *Versailles in the jungle* palace in Congo using resources stolen from the Congolese people. Sheikh Khalifa's (Abu Dhabi, UAE) branches of the Louvre and Guggenheim have been built by lowly paid Indian migrant workers. Russian oligarch philanthropy, such as Romanov's Chelsea FC, Usmanov's art collections and Arsenal FC, is built with resources taken from the Russian people.

Current corporate philanthropy includes Kraft Heinz's *Rise Against Hunger Partnership* which donates for FB likes some \$2.5m 20-million meals: good works or clever marketing? Microsoft's Volunteer Grant Program donates \$25/h to charity of volunteering employee's choice, 3-million h pa: philanthropy or staff turnover reduction? Penguin Random House helps employees pay off student loans: charity or staff retention? Dual purpose giving? *Giving Compass* (2023) compares corporate giving to public service spending. They say the public sector is always less efficient: prejudice?

It may be as Gates (2023) claims that immunising 760-million children against polio has prevented 13-million deaths and if so commendable. Had Gates paid due tax and had the resources been at the disposal of the public sector we may know

opportunity costs. We do know that apart from tax avoidance, billionaires have accumulated fortunes by colonialism, slavery, employing thugs and strike-breakers or simply paying low wages. Demonstrations outside of the Metropolitan Museum of Art, the Guggenheim and even the Louvre in protest at their accepting donations from the Sackler family, who make money from selling opioids, illustrate the justice in Marx's call for transparency, democracy and an end to accumulation and exploitation.

Studies by Cobb (2002) and Frumkin and Chetkovich (2003), and Schervish et al. (2006), found out that the motivation of early VPs often derives from their sources of wealth in hi-tech businesses: part of the *buzz* for the VP is addressing intractable problems (malaria vaccination), using tools and techniques learned in a business environment (networking, financial diligence, leverage of funds). Whilst the VP places a social problem at the centre of their philanthropy their motivation for resolving it is in part the use of business-like processes in professionally run projects, far removed from state-aided programmes or NGO initiatives. Letts et al. (1997) criticised *traditional* philanthropy for focusing upon infrastructure and capacity building instead of being project-oriented and outcome-driven.

Common Dreams (2023) says that in 2020 US non-profit hospitals benefit from \$28-billion tax concessions but only half of this was spent on subsidised healthcare for the poor. Although non-profit, most public hospitals spend less than 5% of income on charity care. Instead, the largest *CommonSpirit Health* spent only 1.5% of \$507-billion income on charity care and paid its CEO \$32-million a year. *Providence St Joseph* spent only 1% of \$27-billion revenue on charity care. Even the *Methodist Hospital*, the highest, spent 8% on charity care of \$3.3-billion income. 86% of US charity hospitals spend less on charity care than they receive in tax concessions meaning the US Treasury is subsidising operating profits and executive salaries. Unpaid bills debar patients from re-entry. Around 40% of Americans delay or fail to get medical attention because they cannot afford it, despite Obama's extension of Medicare; some of these are on incomes of up to \$100,000 per year, showing how crippling the costs of healthcare are in the USA to working-class families. Life expectancy in the USA has fallen from 79 years to 76 and going down. Pisano (2006) makes the case for VP supporting *different-to-research* diseases. Healthcare philosophy, Reich (2006) says, is failing people, a view echoed by Soros (2008) and Globalist (2023).

Marx is unwaveringly committed to economic and industrial democracy (at economy and company levels); decisions taken by rich people on behalf of a community they do not represent underline the importance of Marx's stance. Philanthropy by capitalists is always tarnished: toxic philanthropy. The Johnson Centre (2023) lists untold examples.

Tax Avoidance and Dark Money

Two famous philanthropists support left-leaning causes. Soros (Quantum hedge fund investor) grant-aided the liberal studies Central European University in Budapest, recently effectively closed by Orbán by removing it to Austria. Carnegie's *The Gospel of Wealth* says, *The man who dies rich dies disgraced*. A steel magnate

in the USA, who made money from producing railway rolling stock. He supported the library, park and Trust funds in his native Scotland, the Carnegie Museums of Pittsburgh and libraries across the world (1679 in the USA). He supported pacifist causes, and bravely stood out against WWI.

Many, if not most, philanthropists are on the other side of the political spectrum. Freeland's (2016) investigation shows that only 11% of global billionaires are philanthropists; many of the others support political causes. O'Clery (2013) details how Irish billionaire Chuck Feeney supported a range of right-wing neoliberal departments and appointments in Irish and USA universities, Cornell and NY City cited as examples, leading people to wonder what *academic freedom* means. Having established an independent trust fund (saying *there are no pockets in a shroud*) he came to regret his trustees not sharing some of his ultra-right-wing agenda.

Mayer's (2016) classic text *Dark Money* catalogues how right-leaning billionaires weaponise philanthropy. Her detailed examples include oil magnates, the Koch brothers, supporting political campaigns and right-wing appointments in the USA, advocating reduced welfare and taxes. Detailing Koch activities around US universities, Mayer says (2016:156) that *entire academic areas at universities can be bought just like politicians*. Similar stories are told in Martin (2013) and Freeland (2016). Kampfner (2014) and Standing (2016) focus on how billionaire philanthropy raises money by rent-seeking from historic IP and tax loop-holes, money then used to campaign for lower taxes on the rich. A trick in the US Congress is to vote for tax cuts, resulting in a budget deficit, then used as an excuse to cut social programmes. Pronouncements from Peter Thiel (PayPal) and Elon Musk (WhatsApp) join the call for less taxes and fewer public services. Wahhab (2016:ix) draws neoliberal conclusions from this right-wing agenda: *Put simply, charity sucks because business does it better*.

Zucman at the Tax Justice Network analysed data leaked from Swiss banks and the Panama papers; data was leaked by journalist Daphne Caruana Galizia (subsequently murdered) and Julian Assange of Wikileaks (subsequently jailed). Zucman (see Alstadseter et al. 2017) matched anonymous bank accounts with British tax haven trusts, finding that rich Scandinavian households avoid 10% of the tax they should pay, the top 0.01% avoiding 40% of tax. Scandinavia, a normally law-abiding culture, shows how much tax lost elsewhere. Zucman (2015:47) calculates that US\$1.3 trillion is held in anonymised Swiss accounts avoiding tax and that of total global wealth of US\$ 95 trillion 8% or US\$ 7.6 trillion is held in tax avoiding shelters costing taxpayers US\$ 125 billion income tax, 55 billion inheritance tax and 10 billion wealth tax. Many of these are British jurisdiction (British Virgin Islands, the Cayman Islands, Jersey and Guernsey) which, Zucman (2015) points out, successive governments have chosen not to address.

We find empathetic local volunteers in the 3S doing good and anti-social (tax avoiding) billionaires operating without accountability and/or supporting neoliberal causes.

9.3 Marx's Contribution to Understanding the Third Sector

Marx and Engels' criticisms of charity and philanthropy orbit two core themes: (a) absence of democracy and accountability and (b) charity dulling working-class consciousness, self-esteem and militancy.

Our Species-Being: Ending Alienation

In *The German Ideology* (MECW-5) Marx and Engels put forward the theoretical case for active materialism and alienation from our species-being. Building on Feuerbach's *passive materialism* (there is no God, humans are part of nature which preceded humans and society), *active materialism* included from Hegel's dialectic the idea that humans have a species-being that freely interrelates with other humans, the natural environment and product of human labour (Kamenka (1962, 1969). Capitalism has alienated social relationships, product of labour and nature; however, the new communist society can de-alienate people and restore the species-being, living in a society of abundance without alienation: the *recognition* accorded and equal being, not the unequal servant.

Absence of democracy—in the workplace and wider industry as well as in civic governance—and charity hold back the self-assurance of the working-class (most people and creators of value) to make the revolution, a self-emancipation process only the working-class as an agent of change can bring about. Instead of moralising, or worrying about the private and public self, they say,

Communists do not put egoism against self-sacrifice or self-sacrifice against egoism, nor do they express this contradiction theoretically either in its sentimental or in its high-flown ideological form; on the contrary, they demonstrate the material basis engendering it, with which it disappears of itself. The communists do not preach morality at all, such as Stimer preaches so extensively. They do not put to people the moral demand: love one another, do not be egoists, etc.; on the contrary, they are very well aware that egoism, just as much as self-sacrifice, is in definite circumstances a necessary form of the self-assertion of individuals. Hence, the communists by no means want to do away with the "private individual" for the sake of the "general", self-sacrificing man. *German Ideology* (MECW-5)

Dis-alienation is not (only, primarily) about the redistribution of property. Like Hegel (1807) who uses a master-slave analogy (1807:109) restoring humanity's species-being involves recognition from other humans of equality in self-consciousness and worth. Recognition in this sense is an important idea. Chitty (2013) says it is freely being for one another, involving healthy and free social relationships, not, for example 'rights' given by a powerful group to a less powerful group or 'rules' handed down by a religion: an idea prominent in Rousseau (1755), resurrected by Althusser (2014). Freedom is taken, it cannot be given, and it arises Sennett argues (2003) from mutual respect.

A danger with this approach is falling into metaphysics (with Žižek 2017) or shallow identity politics. Fraser (1995, 2000), Fraser and Honneth (2003) argues that the idea of *recognition* avoids these dangers. Recognition, she says, must have a material base beyond symbols and feelings. This is why for the Marxist it is important to ground racism and patriarchy in material relations. Overcoming

alienation for Marxists means restoring these respectful relationships in addition to controlling the product and labour and ceasing to take more from the natural environment than it can sustainably offer. Ending alienation, Alcoff (2006) emphasises, involves self-activation processes.

Democracy and Self-emancipation

Charity may make no lasting change in the conditions of the poor. Engels argues in *Conditions* that,

To what extent want and suffering prevail among these unemployed ... I need not describe ... The philanthropy of the rich is a rain-drop in the ocean, lost in the moment of falling.

The associated point is made by Marx and Engels (1986) in *The Communism of the Rheinischer Beobachter* arguing that charity leaves class structures intact:

The social principles of Christianity preach the necessity of a ruling and an oppressed class, and all they have for the latter is the pious wish the former will be charitable.

Noting how little difference charity makes overall, Engels argues that charity leaves unchallenged how the rich came about their wealth, giving to '*the plundered victims the hundredth part of what belongs to them*' (Conditions MECW-V:4). The giver is left with a self-complacent, *Pharisaic philanthropy*, oblivious that it is their exploitation that causes poverty.

Questioning the motives of charity donors, Engels (Conditions MECW-V:4) says,

Charity which degrades him who gives more than him who takes; charity which treads the downtrodden still deeper in the dust, which demands that the degraded, the pariah cast out by society, shall first surrender the last that remains to him, his very claim to manhood, shall first beg for mercy before your mercy deigns to press, in the shape of an alms, the brand of degradation upon his brow ... The English bourgeoisie is charitable out of self-interest; it gives nothing outright, but regards its gifts as a business matter, makes a bargain with the poor, saying: "If I spend this much upon benevolent institutions, I thereby purchase the right not to be troubled any further, and you are bound thereby to stay in your dusky holes and not to irritate my tender nerves by exposing your misery.

In a similar vein, Marx and Engels (1962:315) refers to

Charity which degrades him who gives more than him who takes; charity which treads the downtrodden still deeper in the dust, which demands that the degraded, the pariah cast out of society, shall first surrender the last that remains to him, his very claim to manhood, shall first beg for mercy before your mercy deigns to press, in the shape of an alms, the brand of degradation upon his brow.

For Marx and Engels (2008:83–84) the rich donator motive is that charity salves the consciousness of the rich without acting against causes of poverty:

The social principles of Christianity preach cowardice, self-contempt, abasement, submission, dejection, in a word all the qualities of the canaille; and the proletariat, not wishing to be treated as canaille, needs its courage, its self-reliance, its pride and its sense of independence more than its bread. The social principles of Christianity are sneakish, and the proletariat is revolutionary.

A braver response, he is arguing, examines the causes not the symptoms of poverty. At a mature stage of his work in 1864 writing the rules of the First International,

Marx sharply states that *the emancipation of the working classes must be conquered by the working classes themselves*. Although not referring at this point to charity the message is clear, democratic self-activity liberates the working-class, no amount of top-down charity or democratic concessions will do; without self-activity in the process of gaining power, the working-class is unprepared for the democracy of exercising power.

Celebrating the Paris Commune in 1871 *Civil War in France*, Marx denounces as enemies of the proletariat,

To this section belong economists, philanthropists, humanitarians, improvers of the condition of the working class, organizers of charity, members of the society for the prevention of cruelty to animals, temperance fanatics, hole-and-corner reformers of every imaginable kind. He argued that only, the government of the working class can only save France and do the national business, by working for its **own emancipation**, the conditions of that emancipation being at the same time the conditions of the regeneration of France.

He goes on (*Civil War in France*:346–348).

The philanthropic school is the humanitarian school carried to perfection. **It** denies the necessity of antagonism; it wants to turn all men into bourgeois ... The philanthropists, then, want to retain the categories which express bourgeois relations, without the antagonism which constitutes them and is inseparable from them. They think they are seriously fighting bourgeois practice, and they are more bourgeois than the others.

Echoing the same theme of democratic self-activity and self-emancipation, introducing a later edition of the Manifesto, Engels says, *our notion, from the very beginning, was that 'the emancipation of the working class must be the act of the working class itself'*, a formulation echoed in his 1875 *Critique of the Gotha Programme*.

Noting that can have an anti-capitalist edge Engels (*Socialism Utopian and Scientific* (MECW-V:24)) says,

The Salvation Army ... revives the propaganda of early Christianity, appeals to the poor as the elect, fights capitalism in a religious way, and thus fosters an element of early Christian class antagonism, which one day may become troublesome to the well-to-do people who now find the ready money for it.

Both Kautsky and Rosa Luxemburg (2003) who analysed early Christian groups as primitive communists (equitable distribution, not collective production) pointed to later Christianity either accumulating massive wealth or making a virtue out of poverty to the extent the Pope had to ban some groups. As Freeman (1982) noted, without economic democracy workers are unable to control the pace and direction of innovation and technological change, nor the share of (dis)-benefits.

A Critical Assessment of 3S

Philosophically, Marx and Engels' materialist and dialectical view of pre-capitalist species-being alienated from the product of its labour, mutually respectful social based on recognition and a treasured and sustainable natural environment, is persuasive. This conceptualisation of alienation is consistently applied throughout the whole of their work, particularly their theorisation of exploitation, identity and recognition faced with divisive racism and patriarchy and their notion of the *metabolic rift* growing in the natural environment because of capitalist negative externalities, abuse of soil and land use and general despoiling of nature.

Their position on charity is also persuasive; however, it cannot pass without comment, noting their contribution was made before the expansion of corporate philanthropy and the large amount of monies involved, especially following the professionalisation of fund-raising and systematic avoidance of major amounts of tax. They limit their comments to charity in mid-nineteenth-century Britain—what else could they do? We note the long history of charity in Asian Buddhist countries and throughout Islamic: religious giving raises and dispenses money in quite different ways than billionaire philanthropists. Poverty in nineteenth-century Britain affected especially the elderly and unemployed, whereas today the majority of those in poverty are in work, in developed countries. The international reach of charity and philanthropy in the twenty-first century differs from Marx's time, as does information about catastrophes and social need. Charitable projects often insist on coproduction (individual activity in solving problems such as the obese person losing weight or volunteers caring for elders or visiting the lonely). We critically consider coproduction as a strategy considering Marx and Engel's critique of charity. Finally, Marx had close working relationships with leading trade unionists and scientists of his day; he paid little heed to the lumpen-proletariat, describing them in the CM:20 *a dangerous class, that passively rotting mass thrown off by the lowest layers of old society...* without the power of employed and organised labour. This is important since the lumpen-proletariat (so situated by moral hazard) that features in philanthropic projects.

While Nazi fascists provided bombers to Franco's unseating of a democratically elected government in Spain British workers responded by boycotting shipments to the fascists, adopting Basque orphans, caring for injured Republican fighters and fostering children. 3S activities by labour movements are often written out of histories. Many at the time thought the fight for Spain the beginning of a second world war. Similarly, thousands of refugees from Pinochet's Chilean concentration camps were welcomed into Europe.

Local, volunteer-supported 3S work is quite different from the top-down impositions of billionaires, which dispirits activists and denudes self-emancipation. Localised 3S work not only creates UVs that become part of PV; it can also be a school for the planned economy. This type of 3S activity can be like worker's control at plant level, in which workers learn to manage enterprises and plan at a sectoral or regional and national level.

There is a long tradition in Britain of trade unions at plant level seeking mutuality. Especially amongst skilled workers resisting Taylorism but extending to holidays, plant organisation, even machine tools to be bought and staffing levels. Shop stewards (unofficial, elected at plant level). Author. Mines, docks, engineering. 1970s from piece to day-rate; Lucas plan; UCS. Dockyard. Closed shops, pre-entry (dyers) syndicalism, economism, workerism.

In summary and remembering Marx and Engel's context of prim Victorian Britain, their critique of charity is that it suppresses self-emancipatory activity, sowing the illusion that the activity of others can create a better world, leaves class structures intact and disguises the motivation of givers which is often guilt leaving unexamined the source of their wealth in exploitation of the working-class. Their philosophically sophisticated notion of alienation from species-being is the basis for later theory of exploitation (alienation from product of labour), direct democracy (alienation from social relationships) and Marxist environmentalism and the widening *metabolic gap* (alienation from nature).

Marx and Engels' comments seem to have England in mind not mentioning the long history of Chinese and Islamic philanthropy. They focus on political implications, understandably, since philanthropy activity did not 'take off' until the 1970s following the steep rise in inequality, professionalisation of fund-raising, billionaires and corporate philanthropy. Their political focus led to no comment of philanthropy value-flows and not the $UV = PV$ extension of their ideas made here. Nevertheless, their critique around self-emancipation and by implication absence of democracy and accountability provide a base from which to work.

9.4 Conclusions and Marxist Contribution

We celebrate local groups of volunteers working for their community by empathetically helping those in need and engaging in supportive activities adding to the lustre of community life. Burke's *little battalions* express the cooperative human spirit and are part of the social glue creating meaningful social relationships enhancing the common good.

Historically (LO-2), progressive mobilising communities around 3S social innovation and people like Winstanley (English 1640s Diggers primitive communists), Thomas Münzer (Reformation, land distribution) and Robert Owen (New Lanark Mills) demonstrated the limits of top-down philanthropy when power to oppress or exploit left intact. Large third-sector (3S) organisations and philanthropic foundations straddle state and market are top-down and run counter to the self-emancipation of the working-class, and by sowing the illusion that capitalists care about poverty and disadvantage, they have created, it confuses and reduces self-esteem and class consciousness. By imposing solutions, deciding processes and evaluating success charity and philanthropy denies social accountability and weakens democratic processes.

Substitute for universal and accountable state services often instead of an opportunity to build new social relationships based on recognition and respect can suppress in Marx's argument the self-emancipation of the working-class by instituting top-down control, by influences external to the working-class and its organisations.

If as we argue (LO-1), the 3S creates UVs that solve citizen's problems, then (like households) they are creating PV and the more PV eats into, supplants EV, the

closer we are to non-market relationships dominating economic and social life. $3S = UV = PV$ is then a part route to the new socialist society.

Marx's arguments (LO-3) challenge any idea that billionaire philanthropy is progressive. Altruism assumes a social identity that capitalism suppresses; only in social formations directly challenging capitalism is an altruistic identity possible. The moral argument (Hume) that we can stand in the shoes of another is flawed, since sometimes it is difficult enough to know one's own emotions, still less those of another. Large-scale charities, philanthropy and VP stand criticised for top-down imposition of project choice and methods of operation, both of which may run counter to the view of elected representatives, who because of resource starvation may face no choice but to cooperate. One aspect of this critique is Leibenstein's (1966) A-efficiency: the shifting of costs from state to individuals and the uneven access and quality of service that results from coproduction. We criticised the work of Vargo and Lusch (2008) for the neoliberal anti-public service implicit in their service-dominant logic, and Osborne (2021) for arguing that service users not service providers are the creators of PV. Noting that almost 90% of philanthropic billionaires engage in political lobbying, often for low taxes and thereby smaller public services, we join Mayer's (2016) *dark money* critique of philanthropists, while applauding genuine volunteers helping those in need. As former UK PM Clement Attlee powerfully commented, *Charity is a cold grey loveless thing. If a rich man wants to help the poor, he should pay his taxes gladly, not dole out money at a whim.*

Scruton and Finnis (1986:113) says Marxism is a *superstitious belief in a transformed human nature*; in response Marxist contests as idealist the notion that empathetic persons can stand in the other's shoes and feel their emotions. Instead, activities expressions of a dis-alienated essence, unmediated social solidarity all have a material base, while not neglecting the emotional well-being of others: the common good.

Public services have set standards and within context and culture are universally available; they express equity. As Thorup (*Guardian* 110718) explains that philanthrocapitalism rests on the claim that *capitalist mechanisms are superior to all others (especially the state) when it comes to not only creating economic but also human progress, and that the market and market actors are or should be made the prime creators of the good society.* We are also concerned that philanthropy becomes a poor substitute for public services cut by neoliberal policy: poor because invariably they are not universal or of common standard. This is certainly so when coproduced services by volunteers substitute for state services: standards and availability are uneven and dependent on the 'accident' of volunteer availability, which may be more pronounced in least areas of need.

Charity and philanthropy are poor alternatives to public services. Common good activities caring for neighbours and neighbourhood in localised voluntary groups are to be celebrated as expressing humanity at its best.

In Yijingcun Community, China local volunteers care for elderly residents in danger of loneliness using daily “15-minute Living Circles” all elderly citizens are encouraged to attend, ensuring nobody is out of contact. “Love doorbells” for empty nesters encourage neighbours to ring and chat or as two-way communications devices call for emergency help. A 1 + 1 + 1 initiative encourages neighbours to offer practical help with cooking, cleaning or laundry; also reduce loneliness. Some neighbours to sign-up offering long-term help in a *seven help and seven send* campaign. The seven helps include send warmth, send comfort and chat, send entertainment and send knowledge. Where specialists offer help, this is known as 1 + N + 1, the ‘N’ often being students from the local College. One event, *Meet You, Me, Talk to Your Heart*, brought ‘N’ and elderly together aiming to bring spiritual comfort and avoid loneliness.

References¹

- Adamson G (2018) Fewer, better things—the hidden wisdom of objects. Bloomsbury Publishing, London
- Alcoff LM (2006) Fraser on redistribution, recognition and identity. *Eur J Political Theory* 6(3):255–265
- Alford J (2009) Engaging public sector clients. From service delivery to co-production. Macmillan, New York
- Alstadseter A, Johannessen N, Zucman G (2017) Tax evasion and inequality. <https://www.aeaweb.org/articles?id=10.1257/aer.20172043>. Accessed 19 Jun 2024
- Althusser L (2014) On the reproduction of capitalism: ideology and ideological state apparatuses. Verso, London
- Arrow KJ (1951) Social choice and individual values. Rationalizing capitalist democracy: the cold war origins of rational choice liberalism. Yale University Press, New Haven
- Bakken B (2000) The exemplary society—human improvement, social control and the dangers of modernity in China. Oxford University Press, Oxford
- Bardach E (1998) Getting agencies to work together—the theory and practice of managerial craftsmanship. Brookings Institution Press, Washington, DC
- Bauman Z (2013) Does the richness of the few benefit us all? Polity Press, Cambridge
- Baumeister RF (2012) Evil: inside human violence and cruelty. Basic, New York
- Bekkers R, Wiepking P (2007) And who is your neighbour? Gifted Legaten, Sponsoring en Vrijwilligerswerk. Reed, Amsterdam
- Bellah RN, Madsen R, Sullivan WM, Swindler A, Tipton SM (1996) Habits of the heart. University of California Press, Los Angeles
- Breeze B (2013) How donors choose charities: the role of personal taste and experiences in giving decisions. *Volunt Sect Rev* 4(2):165–183
- Burke (1790/1981) Reflections on the French revolution. Penguin Classics, London
- Chesbrough HW (2003) The era of open innovation. *MIT Sloan Manag Rev* 44(3):35–41

¹ To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, Capital is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of Capital. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Chesbrough HW (2004) Managing open innovation. *Res Technol Manag* 47(1):23–26
- Chesbrough HW (2006a) Open innovation. Harvard Business School Press, Boston
- Chesbrough HW (2006b) Why should companies have open business models? *MIT Sloan Manag Rev* 48:22–28
- Chitty A (2013) Recognition and property in Hegel and the early Marx. *Ethical Theory Moral Pract* 16:685–697
- Cobb W et al (2002) A review of the processes, benefits and challenges of a university and charity social and emotional learning. *TEAN J* 9(2):64–75
- Common Dreams (2023). <https://www.commondreams.org/news/nonprofit-hospitals>
- De Beer P, Koster F (2023) Sticking together or falling apart? Amsterdam University Press
- Divine T (2015) Recovering Scotland's slavery past. Edinburgh University Press, Edinburgh
- Eisenberg P (2000) The-nonprofit sector in a changing world. *Nonprofit Volunt Sect Q* 29(2):325–330
- Engels F (1845/1966) Condition of the working class in England. Lawrence and Wishart, London
- Engels F (1845/1968) Socialism Utopian and Scientific. Lawrence and Wishart, London
- Etzioni A (1968) The active society. Collier-Macmillan, London
- Esping-Andersen G (1990) The three worlds of welfare capitalism. Polity Press, Cambridge
- Evers A, Laville J-L (eds) (2004) The third sector in Europe. Edward Elgar, Cheltenham
- Fraser N (1995) From redistribution to recognition? Dilemmas of justice in a 'post-socialist' age. *New Left Rev* 212
- Fraser N (2000) Rethinking recognition. *New Left Rev* 3:107–120
- Fraser N, Honneth A (2003) Redistribution or recognition—a political—philosophical exchange. Verso, London
- Freeland C (2016) Plutocrats: the rise of the new global super rich and the fall of everyone else
- Freeman C, Clark J, Soete L (1982) Unemployment and technical innovation. Oxford University Press, Oxford
- Frumkin P, Chetkovich C (2003) Balancing margin and Mission: nonprofit competition in charitable versus fee-based programmes. *Adm Soc*. <https://doi.org/10.1177/0095399703256162>
- Fry (1982) Fry brothers charity. <http://frybrotherscharity.org.uk>
- Frydrych D, Bock A, Kinder T (2014) Exploring entrepreneurial legitimacy in reward-based crowd-funding. *Venture Capital* 16(3):247–269
- Frydrych D, Kinder T (2015) How new is crowd-funding? The venture capital evolution without revolution – discourse on risk capital themes and their relevance to Poland. *Problemy Zarzadzania* 13(4(56)):177–194
- Frydrych D, Bock AJ, Kinder T (2015) Creating project legitimacy – the role of entrepreneurial narrative in reward-based crowdfunding. In: Brabet J, Maque L, Méric J (eds) The international research handbook of crowdfunding. Emerald, London
- Gates (2023) <https://www.gatesfoundation.org>
- Gautier A, Pach A-C (2017) Research on corporate philanthropy. *J Bus Ethics* 126:343–369
- Gibelman M, Gelman SR (2014) A loss of credibility: patterns of wrongdoing among nongovernmental organizations. *Volunt Int J Volunt Nonprofit Org* 15:4. <https://doi.org/10.1007/s11266-004-1237-7>
- Giving Compass (2023). <https://givingcompass.org/article/impact-philanthropy-why-leverage-is-important>
- Globalist (2023). <https://www.nplusonemag.com/online-only/online-only/the-globalist/>
- Green J (2005) Blending technological and social innovation. In: Institute of Design Strategy Conference, May 18–19, Chicago
- Greenwald AG, Leavitt C (1984) Audience involvement in advertising. *J Consum Res* 11
- Grönroos C, Ravald A (2011) Service as business logic: implications for value creation and marketing. *J Serv Manag* 22(1):5–22
- Grönroos C, Voima P (2013) Critical service logic: making sense of value creation and co-creation. *J Acad Mark Sci* 41(2):133–150
- Hardin G (1971) The tragedy of the commons. *Science* 162(3859):1243–1248

- Hasan S (2018) Muslim majority countries, philanthropy, and human security: concepts and contexts. In: Hasan S (ed) *Human security and philanthropy—Islamic perspectives and Muslim majority country practices*. Springer, Berlin
- Hegel GWF 1777 (1807) *Phenomenology of spirit* (Miller trans.). Oxford University Press, Oxford
- Hume D (1739/2007) *A treatise on human nature*. Clarendon Press, Oxford
- Ingram C, Teigland R, Vaast E (2013) Solving the puzzle of crowdfunding: where technology affordances and institutional entrepreneurship collide. SSRN working paper series [online]. <http://www.ssrn.com/abstract=2285426>. Accessed 15 July 2013
- Jansson JO (2013) *The economics of services—micro-foundations, development and policy*. Edward Elgar, Cheltenham
- Jessop B (1994) The transition to post-Fordism and the Schumpeterian welfare state. In: Burrows R, Loader B (eds) *Towards a post-Fordist welfare state?* Routledge, London
- Johnson Centre (2023). <https://johnsoncenter.org/blog/types-of-philanthropic-harm-a-working-list/>
- Kahn CH (1981) Aristotle and altruism. *Mind* 90(357):20–40
- Kamenka E (1962) *The ethical foundations of Marxism*. Routledge and Kegan Paul, London
- Kamenka E (1969) *Marxism and ethics*. Palgrave Macmillan, New York
- Kampfner J (2014) *The rich: from slaves to super yachts, a 2000 year history*. Little Brown, London
- Kinder T (2000) A sociotechnical approach to the innovation of a network technology in the public sector—the introduction of smart homes in West Lothian. *Eur J Innov Manag* 3(2):72–90
- Kinder T (2010) Social innovation in services: technologically assisted new care models for people with dementia and their usability. *Int J Technol Manag* 51(1):106–120
- Kinder T, Stenvall J (2023) A critique of public service logic. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2023.2182904>
- Kinder T, Six F, Stenvall J, Ally Memon A (2020) Governance as legitimacy: are ecosystems replacing networks? *Public Manag Rev*. <https://doi.org/10.1080/14719037.2020.1786149>
- Koskimies E, Stenvall J, Kinder T, Leikas D, Nieminen J (2023) Artificial intelligence and public innovations. In: Väyrynen H, Helander N, Jalonen H (eds) *Public innovation and digital transformation*, Chapter 5. Routledge, London
- Laitinen I, Stenvall J, Kinder T (2017) Co-design and action learning in local public services. *J Adult Contin Educ* 2017:1–26
- Lauria M (ed) (1997) *Reconstructing regime theory: regulating urban politics in a global economy*. Sage, London
- Lehtonen K, Stenvall J, Kinder T (2021) To trust or not to trust? Governance of multidimensional elite sport reality. *Sport Soc*. <https://doi.org/10.1080/17430437.2021.1932820>
- Leibenstein H (1966) *Allocative efficiency and X-efficiency*. Oxford University Press, Oxford
- Letts CW, Ryan W, Grossman A (1997) Virtuous capital: what foundations can learn from venture capitalists. *Harv Bus Rev* 75:36–50
- Leutz WN (1999) Five laws for integrating medical and social services: lessons from the United States and the United Kingdom. *Milbank Q* 77(1):77–110
- Luxemburg R (1901/2003) *Accumulation of capital*. Routledge, London
- MacCulloch ME et al (2004) The grateful disposition: a conceptual and empirical topography. *J Pers Soc Psychol* 82:112–127
- Mandeville B (1714/1974) *The fable of the bees*. Penguin Classics, London
- Martin IW (2013) *Rich peoples' movements—grassroots campaigns to Untax the one per cent*. Oxford University Press, Oxford
- Marx K, Engels F (1846/1978) *The German ideology*. Lawrence and Wishart, London, pp 154–155
- Marx and Engels (1962) *On Britain*. FLPH, Moscow
- Marx and Engels (1986) *On religion*. Mineola, Dover, NY
- Marx K, Engels F (2008) *Civil War in the United States*. International Publisher, New York
- Mayer J (2016) *Dark money—how a secretive group of billionaires is trying to buy political control in the US*. Scribe, London
- McCulloch M (2011) *Shared services and performing cooperatives*. Arts Council, Manchester, UK

- Memon A, Kinder T (2015) Changing management roles in the Scottish NHS: implications for management learning and development. *Public Money Manag* 36(1):47–54
- Memon A, Kinder T (2016) Co-location as a catalyst for service innovation: a study of Scottish health and social care. *Public Manag Rev* 19(4):381–405
- Micklethwait J, Wooldridge A (2014) *The Fourth Revolution: the global race to reinvent the state*. Allen Lane, London
- Mulgan G (2006) The process of social innovation. *Innovations* 1(2):145–162
- Nietzsche F (2010) *Beyond good and evil*. Cambridge University Press, Cambridge
- Nagel T (1970) *The possibiity of altruism*. Clarendon, Oxford
- Normann R (2002) *Service management*. Wiley, New York
- O’Clery C (2013) The billionaire who wasn’t: how Chuck Feeney secretly made and gave away a fortune. Public Affairs, New York
- Orwell G (1936) *The road to Wigan Pier*. Gollancz, London
- Osborne SP (2010) The (new) public governance: a suitable case for treatment. In: *The new public governance*. Routledge, London
- Osborne SP, Strokosch K (2013) It takes two to tango? Understanding the co-production of public services by integrating the services management and public administration perspectives. *Br J Manag* 24:S31–S47
- Osborne SP, Radnor Z, Vidal I, Kinder T (2014) A sustainable business model for public service organisations? *Public Manag Rev* 15(2):165–172
- Osborne SP, Nasi G, Powell M (2021) Beyond co-production: value creation and public services. *Public Administration* (Early View. <https://doi.org/10.1111/padm.12718>)
- Ostrom V (1973) *The intellectual crisis in American public administration*. Alabama University Press, Tuscaloosa, AL
- Phillips S, Smith SR (eds) (2011) *Governance and regulation in the third sector: international perspectives*. Routledge, London
- Pisano GP (2006) *Science business: the promise, the reality, and the future of biotech*. Harvard Business Press, Cambridge, MA
- Rawls A (1971) *A theory of justice*. Oxford University Press, Oxford
- Reich R (2006) A failure of philanthropy: American charity short changes the poor, and public policy is partly to blame. *Stanf Soc Innov Rev*
- Sayers S (2011) *Marx and Alienation: essays on Hegelian Themes*. Palgrave Macmillan, Basingstoke
- Sayers S (2011) *Marx and Alienation: Essays on Hegelian Themes*. Palgrave Macmillan, Basingstoke
- Schervish PG, O’Herlihy MA, Havens JJ (2006) Charitable giving: how much, by whom, to what and how? In: *The nonprofit sector*. De Gruyter. <https://doi.org/10.12987/9780300153439-026>
- Scruton R, Finnis J (1986) Corporate persons. *Proc Aristot Soc* 63(1989):239–274
- Sennett R (2003) *Respect – the formation of character in a world of inequality*. Penguin, London
- Shaxson N (2016) *Treasure Islands: tax Havens and the men who stole the world*. Vintage, New York
- Shaxson N (2018) *The finance curse: how global finance is making us all poorer*. Vintage, New York
- Skinner Q (1978) *The foundations of modern political thought*. Cambridge University Press, Cambridge
- Slote M (2007) *The ethics of care and empathy*. Routledge, London
- Smith A 2002 (1759) *The theory of moral sentiments*. Cambridge University Press, Cambridge
- Smith A 1970 (1776) *The wealth of nations*. Penguin, London
- Soros G (2008) The new paradigm for financial markets: the credit crisis of 2008 and what it means. <http://www.capitolreader.com/bonus/The%20New%20Paradigm%20for%20Financial%20Markets.pdf>
- Staetsky L, Mohan J (2011) Individual voluntary participation in the UK: a review of survey information TSRC Working Paper 6. www.tsrc.ac.uk

- Standing G (2016) *The corruption of capitalism—why rentiers thrive and work does not pay*. Biteback Publishing, London
- Svendsen LA (2010) *Philosophy of evil*. Dalkey Archive Press, New York
- Tirronen A, Kinder T, Stenvall J (2020a) Learning in Finnish social work practice and research. *Br J Soc Work* 1:1–36. <https://doi.org/10.1093/bjsw/bcaa088>
- Tirronen A, Stenvall J, Kinder T, Tienhaara P, Rossi P (2020b) How to measure wellbeing in outcomes-based commissioning? *Lex Localis* 18(1):123–142
- Trivers R (1971) The evolution of reciprocal altruism. *Q Rev Biol* 46:35–57
- Tuğal C (2016) Faiths with a heart and heartless religions: devout alternatives to the merciless rationalization of charity. *Rethink Marx* 28(3/4):418–437
- Vargo SL, Lusch RF (2008) Service-dominant logic: continuing the evolution. *J Acad Mark Sci* 36(1):1–10. <https://doi.org/10.1007/s11747-007-0069-6>
- Vargo SL, Lusch RF (2014) Inversions of service-dominant logic. *Mark Theory* 14(3):239–248
- Veblen T 1999 (1899) *The theory of the leisure class*. Macmillan, New York
- Wahhab I (2016) *Charity sucks*. Biteback, London
- Wiepking P, Bekkers R (2011) Giving in The Netherlands: a strong welfare state with a vibrant nonprofit sector. In: *The Palgrave handbook of global philanthropy*. Palgrave Macmillan UK
- Wilde O (1891) *The soul of man under socialism*. Marxist Internet Archive
- Žižek S (2010) *Living in the end times*. Verso, London
- Žižek S (2017) *In defence of lost causes*. Verso, London
- Zucman G (2015) *The hidden wealth of nations: the scourge of tax Havens*. The University of Chicago Press, Chicago, IL

Chapter 10

Public–Private Partnerships



Abstract Over their long history, some public–private partnerships (PPPs) create use-values benefiting citizens while others are simply profit oriented, at worst exploiting neoliberal state-corrupted capitalist processes and inhibiting the planning and integration of public services—some PPPs are more exploitative than others. By exploring the stock and flow of value arising from PPPs and contrasting public service mutuality with private ownership and control, the chapter explores models of risk transfer, use of private sector finance and expertise citing detailed cases from Scotland, pointing to formalised compulsory competitive tendering, corrupt contracts (*buy two, get one*) and the false consciousness believing private is more efficient and effective than public. The chapter critiques modern monetary theory, the use of PPPs to substitute for what should be public services, their use in development economics to tie aid and finance to developed country contractors and the scandal of signing away rights to natural capital in PPP contracts exchanging future-value for low-value present payments.

Our first five chapters laid out the concepts and frameworks needed for a Marxist approach to public services. Building on these, the next five chapters have argued that UVs created by public services, households, the third-sector (3S) and here some public–private partnerships (PPPs) cumulate use-values (UVs) as public value (PV): services solving citizen’s problems. The next four Chaps. 11–14 apply this learning to services for the elderly, youth, city-services and healthcare. This chapter explores PPPs and why some create public services UVs and others result in service exchange-values (EVs), i.e. for-profit commodities. Some of the research on PPPs is simply descriptive or *how-to* (Yescombe and Farquharson 2018; Molokwane and Lukamba 2023). Here we dig inside PPPs examining value-flows, identifying which PPPs are simply neoliberal new public management (NPM) and which others create non-market UVs. Only by adopting a Marxist value-flow perspective can the complex arrangements constituting PPPs be unravelled. Best then to begin with some stories illustrating the value complexity of PPPs.

10.1 Introduction: Definitions and Scope

Unpacking PPP as a slippery concept (concept interrelate ideas—Blunden 2012) is best revealed by value-flows. Think of a road full of potholes and in need of new lighting and that the local Council has insufficient value-flow in its funds to upgrade and decides to seek external finance.

- If the finance is a loan from a bank or philanthropist, to be paid back from general revenue and the road always remains Council property, then PPP is not privatisation.
- If ownership of the road is transferred to a private company, perhaps as a toll road and perhaps for a limited period allowing charges to repay the upgrade cost, i.e. value-flows from road users, then the PPP is privatisation.

So, PPP may or may not involve privatisation. Kinder and Stenvall (2021) spoke of a *mutuality* boundary: public ownership and control is the mutuality stock of public value (PV) assets that privatisation de-mutualises.

- Perhaps finance for the road is a combined grant and loan from a development philanthropist. The loan must be repaid, from a general taxation value-flow or value-flow from toll charges on motorists; either way the PPP from one perspective is philanthropy.
- What if both the Council and private business partner wish to make a profit from the upgraded road? Perhaps it becomes a toll road, or perhaps the private developer receives part of the value-flow from road users for a period, after which remaining value-flow charges accrue to the Council. Here the entire road project is for-profit (strictly for social surplus in the case of the Council). Note that only employees of the private capitalist company will generate an exchange-value (EV) and surplus-value (SV). Also, note that the value-flow from the capitalist may not be monetary; their contribution might be the value of design skills and/or project management capability, raw materials and work on the road.
- Who owns the *stock* of value (the road) and who gains the *flow* of value (toll charges or savings on road maintenance and payments for accidents caused by potholes)? We learn from this that ascertaining if a PPP creates a public UV that migrates into PV depends on whether *mutuality* is or is not maintained.

Take a real-world example from the author's experience. A Council had land (value-stock) but insufficient value-flow (its revenues) to develop industrial units, which would create jobs and generate a value-flow from rents for 20 years, before needing replacement. A PPP partner had the ability to borrow the £10-million investment value-flow and was a construction company with design and build capability. A joint venture (JV) company was established to undertake the project, into which the Council transferred land ownership and the company £10 million. In year 1 the company held 100% of the equity in the JV company. After building, the units were rented out creating a £1-million annual value-flow. After year 1, the company transferred 9% of the JV equity to the Council, taking the £1 million in exchange.

For each of the next 12 or 13 years the reverse-equity transfer continued, until after year 12 the Council recouped full ownership of the JV (land and building title), with the company happily retiring from the JV having made a value-flow profit. (There is simplification here, the company had provided all materials and labour: a negative value-flow for the JV.) Reverse-equity switching risks the transfer of value-stock (land and units), the risk being the generation of value-flow rental income. In this PPP, the value-stock is de-mutualised and then re-mutualised. Here the value-flow was rental income; alternatively the value-flow to the Council could have been cost savings if (for example) the PPP upgraded buildings requiring maintenance or costly heating, with the upgrade reducing costs, creating a value-flow for the Council. In this example, the challenge for the Council is crystallising the value-flow savings—making sure they are not lost in general expenditure.

Another example before returning to theory. Allyson Pollock's (2006) *NHS SOS* relates how the UK National Health Service (NHS) was debarred by the government from borrowing to upgrade building and service infrastructure and forced to use PPPs. She shows that the cost of borrowing for PPPs was several times what the cost of capital within the public sector had been (often 20% as against 5%). Some NHS PPPs were further disadvantaged by private partners instead of accepting risk, loading the risk on to the health service. For example, when adjustments to building were needed excessive charges were imposed (counting the cost with interest over a 25-year period). Pithily, she sums up the NHS experience of PPPs as *buy two, get one!* In some cases after paying rent for a 25-year period, the hospital ownership reverted to the PPP company and not the NHS or parts of hospitals were leased as commercial office space. In short, here are examples of PPPs in which the value of stock transfers out of the public sector and value-flows (rents paid by the NHS for using the hospital) all accrue to the private sector. Below, we relate more examples of prejudicial value-flows from PPPs. St Bartholomew's Hospital, London, a PPP cost US\$ 1.4 billion to build, but PPP charges mean a final cost of US\$ 9.1 billion.

What is a PPP, from a value-flow perspective, can only be answered by digging to who benefits from the value-stock and value-flow over time?

Learning Objectives

LO-10.1: PPPs only occur because for-profit companies are prohibited by regulation from completing the project alone or assess the project as insufficiently profitable. The public agent is disabled either by government diktat or by inability to marshal resources (funding, technical or regulation). Thus, the PPP comes to life from perceived mutual benefit either value of asset stock or flow of value. PPP is an artificial market created to suit neoliberal activity: private companies taking value from the state or mutuality sector. Each partner seeks to shift risk and transaction costs to the other, the result depending on relative power. PPP governance reflects this distribution of power and governs the cost input and value-flow output of partners. While public sector partners operate with some notion of 'fair' risk reward, invariably private sector agents place no limit on their upside and if sufficiently powerful alter the

governance arrangements during the project to enhance their value capture. To what extent do PPPs create UVs and PV?

LO-10.2: The chapter surveys trends and types of PPPs investigating to what extent PPPs create public service UVs and PV investigating the conditions under which the public sector benefits from PPPs and whether disbenefits are primarily associated with higher capital costs.

LO-10.3: Theoretically, by critically evaluating literature and previous research the chapter asks if PPP is a child of neoliberalism and its new public management (NPM) strategy of transferring private sector instruments and relationships into the public sector. In short, is PPP another way of diminishing the realm of mutuality and extending the reach of markets and for-profit value relationships? Since an important reason for PPPs is to reduce central government borrowing requirement, we consider the Marxist response to modern monetary theory (MMT), for example Kelton (2020), which argues that so long as borrowing is within one's own fiat currency, there is no reason to limit borrowing as it will neither increase inflation nor add to the outflow of value in interest paid. This allows us to explore capitalist policies of quantitative easing (QE) and Marx's idea of fictitious capital.

The chapter begins by evaluating what we know about PPPs, the ideology and narratives behind it, its history, costs, risk, internationalisation and re-municipalisation. We then turn to Marx's concepts (money, fictitious capital) and how PPPs fit into the neoliberal project.

10.2 What Do We Know?

10.2.1 *Narratives and Ideology Around PPPs*

As the era of Keynesian managed economies faltered around 1973, neoliberalism began to capture control of states which they used to regulate in favour of market power, a shift within the regime of accumulation (Chap. 6). Part of this onslaught, aided by the media and opinion leaders, was presenting as Galbraith (1995) commented the private is always more efficient than public—Thatcher's no alternative and Von Hayek (1945) becoming the dominant ideology in the WTO, IMF, WB and central banks' anti-inflation strategy. Repression of working-class organisations, limiting state expenditure and wage rises and neoliberalism argued are inflationary. Many universities social theorists agreed (see Chap. 9 billionaire appointments and Slaughter and Rhoades 2004; Levin 2005). Neoliberalism favoured asset holders, rising inequality within and between nation states as Acemoglu (2013) and Piketty (2013), Boushey et al. (2017) show. Acceptance of low state borrowing, justifying the need for PPPs, thus became embedded in popular culture: as Nagel (1970) and Billig (1996) argue, there is no *view from nowhere*.

Roberts (2016) *long depression* (2020, 2008), charts falling productivity and TRPF after initial fillip from neoliberal recovery late 1970s then late 1990s stagflation became the norm (Chap. 7), raising state, corporate and household debt. PPP debt became acceptable since the alternative was unimproved infrastructure. Today's parents want the new school for their children, paying less attention to the costs facing tomorrow's taxpayers for the PPP. Booms in monopoly IP tech sectors and fictitious capital speculation, instead of R&D, create few long-term investment opportunities. Lazonick and Shin's (2020) *Predatory Buy-back* detailed the alternative of companies buying back their own shares to the benefit of shareholders instead of investing in R&D. Quantitative easing (QE) and financial institution re-capitalisation at public expense inflated asset prices to the advantage of only asset holders (Eagleton-Pierce 2016).

False Consciousness Naturalises Capitalist Relationships

In Nausea, Sartre comments: *This is what fools people: a man is always a teller of tales, he lives surrounded by his stories and the stories of others, he sees everything that happens to him through them; and he tries to live his life as if he were telling a story.* Marx in the *German Ideology* (1847/MECW-5) highlights and explains the notion of false consciousness; those who accept ideology suffer from false consciousness; ideology distorts power and relationships creating alienation. Cook (2011) points out Habermas' mistaken belief that rational argument resolves these issues. For Ilyenkov (2008), when ideals come to dominate public discourse, the unreal world takes over. Lenin (V-14:311) insists on grounding ideas outside-the-head. Carchedi (2005) and Rittenburg (2015) agree that ideology's popularity often comes from being wrapped in sugar-coated language. PPPs become false consciousness: capitalism delivers—memories are short!

False consciousness matters, as fables or street wisdom (Schank and Kass 1990) the myths (Ilyenkov's 2008 ideals) become everyday truth, not only providing post facto narrative, but as Shiller (2019) says, influencing current activity (especially if couched in plausible stories—Harari's (2016) argument. Controlling dominant narratives is a deliberate corporate and capitalist activity, Barbara Czarniawska-Joerges (1992) notes, becoming deep cultural understandings (Bruner 1990) even commonplace metaphors (Kövecses 2002). False consciousness ideology, Lyons and Kashima (2003) argue, controls how problems and events are framed and interpreted. It is at these points that the working-class most need a party capable of acting as a memory and presenting an alternative viewpoint: perhaps also at such points working-class consciousness is at a low ebb, reflected in Marxist parties. Without searching for the germ-cell, hidden essence of value-flows in PPPs they remain mysterious ideals. Narrations only make sense when situated in a context and culture: there is no 'objective' God's eye view (Chalmers 1994) or Nagel's (1970) *view from nowhere*.

10.2.2 PPPs Historicised

As Marx in later life explored economic development in China, Russia and India, he conceptualised an Asiatic Mode of Production as a *form which preceded capitalist production* (Grundrisse 471–479; Chap. 5) based on centralised property ownership and, as Wittfogel (1957) noted, supported by major projects such as flood control and water management. This is Needham’s (1943) *refreshing river* survey of water projects in China. These projects constitute some of the earliest PPPs. Some of the pre-capitalist PPPs accumulated wealth (capital stock and revenues) for centralised states, an example being the Grand Canal in China. Other ancient PPPs were iconic expressions of power—the Egyptian pyramids, Maya, Inca, Olmec and Aztec societies and their religious symbolism in the Teotihuacan, Serpent Mound, Tikal, Machu Picchu and the Nazca Lines. Hudson’s (1996) collection of case studies claims that ancient Mesopotamian and Roman civilisation collapse was in part due to monarchs making land grants over the heads of farmers who became indebted and reduced production. PPPs such as the mapping of India (Roy 2022), which denied property rights to most Dalits, and the monetising of trade in West Africa (Guyer 1995) were colonialist projects resulting in the formation of an indigenous propertied/monied elite.

Inspired by Engels’ *Origins*, Henry George’s critiqued rents on land in nineteenth-century USA, but wrongly did not see rent as a division of SV created. Harvey’s *accumulation by dispossession* describes early primitive accumulation (land, slavery) as ongoing value-flow, yet capitalism’s driver is not dispossession but accumulation.

Whereas ancient PPPs often aimed at increasing agricultural productivity (water, locks) some modern PPPs simply give property rights (to be traded) to finance capitalists in the form of natural capital (see Chap. 3; Helm 2015). Often reducing productivity by denying access to indigenous farmers (Bunker 1985). As Marx says (V-1:507) *sapping the original sources of all wealth, the soil and the labourer*.

Historically ancient AMP and nineteenth-century PPPs (railways, canals), currently immaterial natural capital rights, traded fictitious capital (i.e. potential future-value; see Durand 2017).

10.2.3 PPPs and Public Value

UK total capital value of PPPs is £60 billion, 740 projects of which 710 are operational; the net-present-value of future PPP payments is £150 billion, noting that complexity of organisational form makes auditing difficult. ESA (2010) regulations cover government external borrowing; WAG (IFRS based) calculate UK PPP liabilities (2015) around £40 billion and NA/PSF-based PPP liabilities only £7 billion. Conventional PPP types include:

- **Build Operate Transfer (BOT):** Public sector negotiates that private partner will build and operate a project, for a set period (often 25–35 years), following which the stock-value (asset) transfers to the public sector.
- **Build Operate Own (BOO):** as BOT except private sector retains ownership at the end of project, hence buildings flexibly designed for alternative use.
- **Design-Build (DB):** Public sector negotiates price of design and build, retaining ownership; some/all of the operation may be contracted out.
- **Buy Build Operate (BBO):** Public sector sells an existing project to a private partner, who knows it requires upgrading/expansion to run profitably.

To comply with EU law, all major public sector construction projects must prepare a value-for-money (VfM) public sector comparator between a publicly funded and privately funded project, the idea being screening to maximise VfM (and de-mutualise as Morsy 2010 found). However, such estimates are notoriously difficult over lengthy periods (often 25–35 years), especially given assumptions on rates of interest, a key variable in cost over time, inflation and the cost of quality (standards and costs). The WB provides a detailed pro forma (Farquharson et al. 2011). EU stipulates (2014/24 Directive) that for service contracts above €140,000 and construction contracts above €5,382,000 there must be a public tendering process that involves advertising details of the contract in the *European Gazette* and evaluation (normally least cost), without discrimination between contractors anywhere within the EU single market.

The EU single market is a neoliberal project denying any preference for public sector ownership and control, regarding governance choice as neutral. One only has to consider the absence of planning or public service integration to see that public ownership comes with advantages, challenging the EU governance neutrality perspective.

Table 10.1 summarises nine PPPs entered by a small Scottish local Council. Had the Council been allowed by the central government to borrow perhaps only (2) and (7) arrangements would have been a form of PPP. Only (5) some housing and (7) retail outlets involved a transfer of value-stock (de-mutualisation), in exchange for a value-flow, and (5) dispersing problem tenants. Apart from (2), (5) and (7) each of the PPP projects directly created PV, though at a cost more than public financing (e.g. from a central government loan board). (7) was a joint venture benefitting value-flow; the alternative would have been a capital receipt from land sale. (2) was a major capital project for the Council, which would have sought a close partnership, whether PPP or not. In this case the PPP was later cancelled, and its redemption paid for by the central government. (5) required some form of private partner since one of the goals was tenant dispersal in addition to upgrade of a fewer number of housing units. The cost of the social goal was reduced capital stock though of higher quality.

PPP is an instrument of NPM expanding market relationships into the mutuality sector. As Table 10.1 shows, this does not mean that PPPs do not add UV and PV; what it means is that the PV element of PPP projects is often confined to the public sector part of the activity and that the PV is costly. There is no universal answer to

Table 10.1 Examples of PPP small local Council, Scotland

PPP project (current cost)	Project description
Smart housing c£50 million	Rebuilt residential care home (single occupancy) on modern (medical/social) care model
College c£60 million	Demolish old technical training college (private sector retaining land for housing development and building and maintaining a new college
Commercial property	Reverse-equity switch model (above) industrial units for rent on land owned by local Council
WL leisure	Transfer assets and staff to company limited by guarantee (wholly Council owned); give (a) ability to borrow and modernise, (b) avoid VAT charges and (c) flexible charging and memberships
Dilapidated housing replacement £10-million	500 Council-owned housing units, many in uninhabitable state, socially deprived area; replaced by 400 units (mixed Council-owned and privately owned)
ICT in schools £15-million	Purchase and install and maintain classroom and teacher ICT equipment: servers, desktops and laptops in 47 schools
Retail centre, £650-million	Finance, build, develop and manage major regional retail centre on land owned by local Council, with % rent accruing to Council
Football stadium £700,000	Council guarantor of loan to build section of local (professional) football club stadium, payback from additional ticket sale revenue
Finance, install and maintain, Council-wide digitalisation records, new (transferable, call-centre-based phone system) including servers, online presence and databases using Oracle software	Infrastructure for major modernisation by digitalisation of local Council internal processes and customer-facing digital interactions (1998), i.e. take-off of localised public service digitalisation. An initial payment for service and hardware followed by (negotiated) annual service contract over minimum period and subject to extension

the PV issue of PPPs; one can say definitively that it is costly compared to public sector investment. Neoliberal regulations force the public sector to use PPPs despite their escalating cost.

10.2.4 Escalating Costs of PPPs

The alternative to PPPs is the central government allowing local authorities to borrow or a public sector loan board evaluating projects and lending money (including resources to recruit expert staff). The stated aims of PPP (WB 2023) are (a) to reduce central government PSBR, (b) as part of NPM, to bring private sector methods into public sector activity and (c) to introduce competition (cost-downs) in public sector projects (Investopedia 2023). The Public-Private Advisory Facility (PPAF 2023) lists complexity, transaction costs and lack of risk transfer as disadvantages

of PPP. The European Public Service Union (2023) adds the disadvantages of higher costs and lower PV emphasising caveat emptor (buyer beware).

PPPs are more expensive in finance costs than borrowing at a lower rate from the government (who can always raise money at lower cost than private organisations) and which is why we discuss modern monetary theory (MMT) below. There are three major additional costs. Firstly, unless trust is high, the principal-agent (Council to PPP partner) transaction costs can be high since the PPP technical partner has knowledge from which to justify project creep and/or rising costs. Secondly, competitive bidding before the award of a PPP contract gives way (after award) to a tied relationship, untying which if the PPP principal begins to distrust the PPP agent may be legally difficult and certainly costly. Thirdly, the PPP principal may be unused to detailing PPP contracts and make costly in-project design alternations.

Payments to PPPs are growing in Europe; the European Network on Debt and Development (ENDD), 2023, notes the NHS by 2030 will spend more on PPP than on building maintenance, some payments being long after the asset ceases to be useful. It seems clear that overall payments for PPPs are rising internationally; the more complex question is: do the additional payments augur rising VfM or inflated costs for the same value?

Jubilee Debt Campaign (JDC 2023) claims that while PPP costs are rising, VfM is falling based on rising finance costs and increased consultant fees. University research is cited alleging corruption in the £ 222-billion outstanding UK PPP indebtedness, though the reference is to an *Independent* (2015) newspaper article. The EIB (2018) PPP centre of expertise notes a decline in PPPs based on falling VfM, while the UK remains the largest user followed by France, projects largely in transport, housing and community services and telecoms. The UK LGA (2022) favours PPP as VfM especially if non-performing assets (e.g. land) can be contributed. Rising public debt then becomes a further argument for neoliberal policies reducing state spending.

Hard evidence suggests that while the stock value of PPP continues to rise in Europe, the flow of projects is declining with narrative and anecdotal evidence suggesting local public agencies are increasingly aware of costs and low VfM. However, beggars cannot be choosers and those local agencies without choice continue to use PPP despite its costs; this is especially so in developing countries.

PPPs are costly over time; their enforced use as an NPM technique provides a route to profit for the private sector, with potentially lower benefit to public sector PV.

10.2.5 PPPs Internationally

It seems clear the countries capitalising on their industrial revolutions from value created by African slaves, for example the UK and USA, are not going to willingly pay meaningful reparations and in both cases support development aid: often PPPs that continue to extract value from Africa (Olusoga 2016; Olusoga and Erichsen 2010)—Nigerian Oil and Ghanaian gold (Adebanwi 2017). This is despite evidence

from Rodney (1972) that African economic development continues to be distorted by slavery and colonialism. So-called laws of economics do not apply in Africa: laws such as comparative advantage, efficient market hypothesis, natural endowment and latecomer advantage (including the Lewis population crossover). Artificial borders continue to provoke wars (Collier 2008), and support infrastructure targets coastal not inter-country trading. Governments can be often unstable, corrupt and authoritarian, with states such as Botswana being exceptions.

Most African State debt, often for PPPs, is owed to multilateral institutions in the USA and UK; annual debt payments far exceed current lending. Yet, despite several decades of development finance and Washington Consensus policy prescriptions African cities continue to grow—without providing jobs. 20% of under-12s are not in school with 35% of over-12s not in school. Technical education remains a challenge, as Iddrisu et al. (2014) show, even in countries such as Ghana where it is prioritised. Chang's (2005) argument is that the development ladder used for advanced countries has been 'pulled up' condemning today's developing nations to raw material export and low-cost manufacturing, providing the (low) tax regime suits inward investors. African countries are not benefiting from their demographic dividend, though not yet suffering the premature ageing characterising for example Thailand. Fortunately the Chinese trade and investment model that insists on local PPP partners for infrastructure projects Brautigam (2009) offers trade without (political) strings (De Grauwe et al. 2012), payback often being in the form of future value of minerals. This less expensive model than WB loans, ADBank (2020) says, makes China now Africa's largest trading partner, including IFDI and PPPs. Meanwhile the vast sums announced to support an African green new deal at the UN Glasgow COP turn out to be the preparedness of financial institutions for buying Africa's natural capital: PPPs often not heralding material investment, but trading finance capital asset titles.

10.2.6 Risk and PPPs

Risk and Capital

All capitalist for-profit activity risks social well-being on the altar of profit; for-profit PPPs are no exception. Marx (1844) cites French bourgeois economist Say: *The most useful employment of capital for the capitalist is that which, risks being equal, yields him the greatest profit. This employment is not always the most useful for society.* This captures the contradiction between social relations of production and social relations of reproduction: the needs of capital for profit set against social needs. Marx addresses this contradiction using the labour theory of value and theory of alienation. If the natural artefacts taken from nature are at a sustainable level *and* if dis-alienated labour is paid the value of its labour, *then* respectful social relationships exist, and products created distributed meeting social need. The LTV rejects the trinity formula (Chap. 3) that land receives rent, labour wages and capital return for capitalist's effort and risk and instead insists that only labour (working on nature)

can create value: rent and payments to capital—a redistribution from what should be labour’s reward for labouring. The edifice of risk/reward becomes redundant as dis-alienation replaces circuits of capital with planned production/distribution for need supplanting the capitalist profit and accumulation. For PPPs risk assessment can be one-sided with the key knowledge held by the contractor or finance partner.

Knight’s (1921) *Risk, Uncertainty and Profit* seeks to justify payment to capital not simply by virtue of owning the capital, perhaps from inheritance, but for risk taken. The capitalist could invest his capital in government bonds receiving a risk-free (say) 5% return. By investing in a business venture, he expects perhaps 20% return for risk-taking. If he is the entrepreneur, he expects even greater return for sacrificing his quietude and investing his ‘sweat equity’ working in the business venture. So, for Knight payment for risk justifies the return on capital and this can be quantified as an expected return for the risks taken: unlike uncertainty which is unquantifiable. Knight is wrong on both counts. His ‘risk’ is only quantifiable in the minds of capitalists and his ‘uncertainties’ (e.g. economic crises, technological rejection or failure) may be the cause of company failure and require some assessment as risks.

For PPPs (lack of knowledge by public sector; power of private funder and PPP partner) uncertainty of cost can be little risk transfer or majority risk with public sector.

Varieties of Risk

Freeman (1982) decomposes risk into entrepreneurial risk: technological, social, regulatory and market risk. This is Beer’s (1979) *liability of newness* requiring the building of legitimacy with stakeholders such as banks, market outlets and complementary technology/service providers. For PPPs these are greater since the local state also faces the risk of funding withdrawal (austerity) by a neoliberal national state and because PPPs only occur when the market judges the risk too great to invest on a wholly private sector basis. Mixed governance in PPP projects may contribute to project creep (and lengthening) especially if redesign occurs during processes. Often the private partners enter negotiations with superior project and technical knowledge allowing it to minimise accepting risk in those areas they know to be riskiest. The public sector mitigates risk by offering guarantees (such as energy price from a PPP power station or minimum paid crossings of a PPP bridge). While the risk to the private partner may have been reduced, the risks have not gone away; faced with riskless PPPs for private partners we wonder why PPP at all? The points where risk meets uncertainties pose risks for all PPP partners. For example, a hospital is PPP built based on x patient journeys only to find that surgery alters (key-hole, day-surgery, robotic surgery) making some built space redundant: a costly disbenefit. Illner (2021) notes that not-for-profit international cooperation on COVID vaccines and some vaccine production failed to meet PPP distribution goals when some countries over-bid for vaccines which were then stored preventing their distribution to poorer countries.

Some PPPs benefit from regulatory change. For example, prisons are the second largest industry in California according to Gilmore (2007); with a workforce of over

54,000 they are used as a redevelopment strategy. The state can ensure (involuntary) occupancy by reclassifying crimes as longer sentences. Residential care homes can achieve above 100% bed occupancy by within –2 h of a death, re-occupying a room the same day gaining double payment and occupancy.

Risk Society

Beck (1992, 2005) presents the non-Marxist case that risk is now the dominant tension in society, with national and supra-national institutions separating risk-takers (including business owners and public service providers) from those facing the probability and consequences of risk. Nevertheless only by taking risk (for example in scientific innovation) can other risks (such as mass unemployment) be mitigated. This occurs now Beck argues at a supra-national level adding the risk that trust is misplaced with a democratic deficit denying the opportunity for risk-holders to reshape risk. This abstract argument is disconnected from the world of public services for which reducing risks, especially for vulnerable people, is a central principle (old, young, sick, poor). Beck displaces class conflict by risk conflict and in doing so makes no connection with public services.

Harvey's (2010) portrayal of risk is better in that he considers it system-wide arising from for-profit activity in a system claiming to be self-adjusting towards stable equilibrium. This is despite repeated crises (1999, 2008, 2019) showing that experience differs from ideology. Unfortunately, he fails to draw the necessary conclusions of working-class capturing the destroying of the state, overturning private ownership and embarking on radical economic and civic democracy and instead, citing Ostrom (1973), speaks vaguely about restoring the commons.

PPP: Portfolios and Natural Capital

Marx is clear (V-I:381) that no rational relationship with the Earth is possible under capitalism. He raised the idea of natural capital in the German Ideology (MECW-5:66). While all value requires labour exerted with *the free gifts of nature* alone, without labour, no value can be created (V-I:134). This did not prevent Blumberg announcing at the 2021 Glasgow CP a *Financial Alliance for Net Zero* valuing natural systems at US\$ 4000 trillion (see Sandor 2012). Foster (2022) and Christophers (2023) call attention to finance capital buying up of natural capital systems, often over the heads of farmers and indigenous peoples working the land: the Amazon being a prime example (HIPP 2022; Kereiva et al. 2022). Section 10.3.3 looks in more detail at these processes. For now we note that many are PPPs involving states or local government along with finance capital, buying titles, sometimes held for capital appreciation, at other times traded at a profit, or developed at natural services.

PPP risk assessment is often biased in favour of private partners increasing their reward ratio, as Christophers (2023) details, investment of fictitious capital in natural capital often undemocratically gives control of nature to finance capital over the heads of those working the land. Research on PPPs in Finland by Koskimies et al. (2023) shows that it is possible for service users, providers and private companies in PPPs creating AI-enabled new public service models to democratically agree on

the decisions at each stage thereby redressing some if not all the unequal relationship. However, public sector PPPs remain costly, are risky and lack accountability.

10.2.7 PPP: De-mutualisation and Neoliberalism

An important NPM view is that governance is a pragmatic matter. Ownership and control are not inherently important: the form of governance that should be adopted is that which suits the needs of the public service user: governance is neutral (see for example Etzioni (1968) and some of the arguments in Osborne 2010)).

Alternatively, research on public services in Finland, Scotland and China by Kinder and Stenvall (2023) challenges these arguments as suiting the neoliberal incursion into the realm of mutuality represented by the public sector. Two arguments stand out. Firstly, ownership and control provide the public sector with the opportunity to integrate (and personalise) public services as ecosystems that ‘pull’ joined-up services towards the needs of service users: a much more difficult strategy if the service ownership and control is fragmented. Birchall (2000, 2001, 2008) and Birchall and Simmons (2004) usefully considers these arguments. Secondly, ownership and control offer the public sector the opportunity to plan (see Chap. 19). We note that one of the supposed advantages of the market is price signaling, whereas signals of service user need are more difficult to aggregate, analyse and plan for in the public sector. AI makes this much less true as Koskimies et al. (2022) argue. Cockshott and Cottrell (1993) show that major companies (Walmart, etc.) use AI, and not internal markets, to plan their logistics (up- and down-stream) and procurement. The supposed advantage of market price signalling is now superseded by potential for planning offered by AI. Our research showed resistance to de-mutualisation in the three sectors we explored (financial services, care homes and direct privatisation of public services). Marxists are not neutral/pragmatic over governance arrangements and work towards public ownership and planning.

Mutuality in service provision harks back to community commons and the moral economy Thompson (1967) found in the later stages of feudalism. Its principles exist in mutuality savings and loans or insurance societies, cooperative movements (such as the 1844 Rochdale Cooperative Pioneers in England) and generally the collective culture viewing public services as the strong caring for the weak, the rich helping the poor, principles of equity.

In this book an important argument is in creating non-market UVs, which do not migrate into market EVs, and when distributed by non-market mediation become PV. Extending the area of mutuality is then a limitation on the area occupied by neoliberal, for-profit activity: it is a stepping stone towards a society where value-stock is mutually owned and democratically planned.

10.3 Marx's Analysis of PPPs

The power of Marx's conceptual framework is revealed by analysis of PPPs stripping away opacities to reveal the value essence of PPPs.

10.3.1 *Marx's: Theoretical Contribution to Analysing PPPs*

Marx's UV/EV distinction cuts through the plethora of hybridities, functionalities and risk transference and sharply decomposes those aspects of PPPs that are for-profit and those created as UVs servicing peoples' needs.

Extending Marx's category of market/non-market by introducing mutuality as a zone of ownership allowing control and planning vividly illustrates when PPP governance is for the benefit of service users and when in the interests of profiteering. Money is an essential part of a capitalist commodity economy having emerged (*Origins*) Engels says alongside private property and not as Simmel (1923) argues following barter. Grabler (2013) also wrongly argues the state precedes money. Money and the regulation of property gave birth to the state; the state was not the midwife of money (Feinig 2022). Only because of money mediation is the labourer forced into the factory to work for wages as labour-power—a commodity with a price; only money mediation allows UVs to migrate into EV commodities, with an M-C-M¹ cycle, i.e. capital circulated and SV realised on the market; and only with a visible stock of capital and SV expropriation is the capitalist able to accumulate additional constant capital for the investment cycle with money itself priced in labour time (Carchedi and Roberts 2023). Marx says, *These antagonistic agencies counteract each other simultaneously* (V-III:248-9): money gives the concrete dimensions of commodities visibility and reflects its value dimensions. Money provides, Desan (2015) says, liquidity, fungible medium, relative values and a liquid store of value. As Marx (*Preface* 1859) says, *All the illusions of the monetary system arise from the failure to perceive that money, though a physical object with distinct properties, represents a social relation of production.*

Building on the UV concept and mutuality analysis of PPPs highlights those parts of a PPP disciplined by markets relationships and those parts meeting the needs of citizens. As noted above, using the mutuality lens is necessary for each individual PPP to reveal effects. Mutuality offers the potentiality of service integration, personalisation and overall planning, impossible without ownership and control. This directly challenges those *third way* theorists such as Etzioni and many public management theorists who claim we can be neutral about governance. Their focus is on organisation and rules; Marx's focus is always on commodity form and value flow.

In rejecting the bourgeois economist's 'trinity formula' which views profit as a reward to capital for industry and risk and insisting that only labour working with the free gifts of nature creates value, Marx undermines Knight's (1921) theory of

risk and uncertainty and modern finance theory of risk. Instead, since value analysis captures social relationships, including power, the Marxist approach to PPPs explores how private partners in PPPs avoid risk transfer placing the onus on the public partner for risk of social rejection, project creep and cost inflation. Agent-principal tensions (Williamson 1975), such as transaction costs and risk transfer, are not an abstract, rational scene of negotiations; it is a clash of powers, often with the public sector holding the weaker hand where there is public need for the project.

Bourgeois social theorists enjoy compartmentalising economy and society, for example into Weber's (1978) value spheres. The capitalist knows better. Analysis of PPPs vividly illustrates how artificial commodities are created in pursuit of profit (e.g. natural capital asset rights), ignoring unmet social needs that offer lower profits. Worryingly for public services and the future of the environment, PPPs can now feature *natural capital* commodities: contrived private control of natural space either exploited (Amazon; Thai shrimp farming) or traded in futures markets as fictitious capital assetisation of public space traded as an FV. Marx shows that when capitalists find no profitable outlets (with the rate of return they expect), they resort to fictitious capital, assets delinked from material reality. At a macro-level, modern monetary theory (MMT) is an example.

10.3.2 Marx and Modern Monetary Theory (MMT)

MMT sometimes referred to as *magic monetary tree* rejects neoliberal austerity economics—the balanced budget inherited from neoclassical economics. Instead MMT justifies deficit spending by lending to themselves. According to Kelton (2020) and Mitchell (2019) government borrowing (involving repayments and interest) is not inflationary provided the borrower is a country with its own specie currency (making foreign holders of debt irrelevant) and there is spare capacity within the economy (supply limits do not force prices to rise because of rising demand). Additional debt can be covered by issuing more currency with the debt held by one government agent and the borrowed money by another, meaning there is no need to increase taxation to pay off the debt. From the viewpoint of policies such as PPP and GND, the MMT offers a costless way of increasing state spending by accruing debt.

Both MMT and Marxists reject Fisher's (1911) quantity theory of money (QTM), dominant in economics, so beloved by monetarists. This is expressed as $MV = PT$ (M = money supply, V = velocity of money, which is the number of times money changes hands, P = average price level and T = volume of transactions of goods and services). MMT denies that MV directly influences prices. Marx's critique of the QTM is more fundamental; the money mediates labour value and price and over time, when total V = total P . MMT offers no analysis of value or TRPF confining itself to the relationship between government debt and prices.

MMT builds on Knapp's (1924) chartalism, i.e. the idea that money was and is created by government deriving its status from state legitimacy; additional

government debt is entropic, *cost-shifting*. MMT ignores the real productive economy; their interest is in the financial bubble riding on top of real economic relations. Like the anarchist Graeber's *Debt*, MMT theorists argue that levels of state debt are irrelevant to the economy. Recent QE begs to differ as inequality soared with vastly inflated asset prices and the cost of borrowing (RoI) rose. International payments value of currency will fall if government relies on growing debt or if HNWIs, so supportive of MMT, join capital flight to more stable currencies. MMT points to rising US Government debt, an a-historical analogy, since, as Varoufakis' (2011) *Global Minitour* points out, the US\$ is a special case because it is the global trading and reserve currency: however large its deficit its value is guaranteed by creditor countries.

Money cannot simply be printed, as Preobrazhensky (1926) showed in the Russian transition. A poor country, even with its own current, must embark on primitive socialist accumulation or suffer wild inflation. Even with a monopoly of foreign trade, local currency still has international value that will decline if foreign banks believe high debt payments are pending. This is important, since imports require foreign currency exchange: the law-of-value operates until the class struggle is over. What about in economically advanced societies? It has more international trading. MMT encouragement of PPPs and state-initiated projects funded by MMT debt fails to recognise the need for public ownership of major companies and democratic planning. They say debt withers away. MMT has no notion of the state as capitalist: i.e. will not give up its claws without fight. Socialists recognise the need for a workers' state with central bank controlled and the need to produce products, not produce money. MMT has no plans to nationalise big private industry. Is MMT newly clothed old Keynesian demand management? Mattick (1969) explained that state spending not backed up by production creates inflation or (deflationary) high unemployment. China, for example, has high state spending, but enjoys high productivity growth and can service its debt, which anyway is controlled. Less high-growth states would find MMT policies a disaster, as Mitterrand did in France in 1984.

MMT Conclusions

As Roberts (160523) notes, the state can create money, but cannot in a market economy control its price, which ultimately derives from labour and the SNLT necessary to create products. The demand for money and its price arises from the pace of capital accumulation. MMT is an a-historical, supposedly universal set of ideals, ungrounded in material reality. Market transactions for Marx is M-C-P-C'-M' (Money represents Commodity and Commodity represents Money) as an integral part of commodity exchange and system of exploitation. The *money expression of labour time* (MELT) an equivalent of SNLT dictates that the value of money cannot be avoided simply by printing and circulating more money: the money loses value unless representing commodities. If for example, US creditor countries decide to hold reserves in a different currency, the value of the US \$ will collapse immediately, given its trade deficit. It is not China that threatens US stability; it is the weakness of its exports.

MMT argues that PPP and other state-initiated projects can be funded by issuing debt-without-consequences for inflation or the price of money (MELT, SNLT). Their view is based, like Graber, on the false view that the state precedes and legitimates money, when money precedes the state, and its value relates to production and productivity expressed in SNLT. $M-C-P-C'-M^1v$, i.e. money makes money but needs production cycle and SV realised on markets (domestic or international). Also, MMT will not apply to non-specie countries or specie countries with weak currency, or EU states reliant on ECB. The same contradictions as Keynesian monetary management apply that demand (including state expenditure) if exceeding production creates inflation and high debt flight of capital and devaluation of currency (Tooze 2018). Even a transitional worker's state needs primitive accumulation (if developing) and planning (including debt/production). Wray's (2016) dictum that *sovereign government can't run out of its own currency* is true; he should go on to say that the money can become valueless—the law-of-value applies.

Using an MMT approach to fund PPPs seeks to sidestep the law-of-value. Similarly to QE and Keynesian demand management, it redistributes value from the poor to the rich (via inflation). There is no shortcut to state control of private property and worker's control: they require a dictatorship of the proletariat and democratic planning.

10.3.3 Marx's Contribution: Policy

Marx was a determined fighter, in a revolutionary manner, for gains improving well-being that the working-class could make, such as the 8-h day, ending night working for children and women in factories and (with his friend Lankester [1907]) health-care services such as epidemiological studies and public health initiatives such as clean water. He would be at the forefront of defending any concessions from capitalism fought for in the form of welfare state public services. His value analysis highlights how neoliberals not only see fewer public services as an opportunity to reduce taxation, replacing public services with market relations, but also extend the reach of for-profit activity. As a democrat Marx would fight for the retention and expansion of mutuality, knowing this offers opportunities for industrial and (wider) economic democracy alongside democratic planning of social activity. As a public policy mutuality stands opposed to NPM and neoliberalism arguing to retain value-flows and value-stock within the public sector.

International: Developing Country PPPs

PPPs can be used as a neo-imperialist instrument (alongside trade) to extract value from developing counties. Ellner (2021) notes this might be as straightforward as inviting Canadian mining companies to extract raw materials—the option taken by numerous South American states. In the best of worlds, the extractor will transfer value-adding technologies (oil refining, food processing). More often the effects will include short-term currency inflation (Dutch disease), environmental

degradation and dependency on foreign capital (Rodik's 2017 trilemma). Where currency value inflates, other exports are made more difficult, perhaps weakening indigenous entrepreneurship. These PPPs are a trap freely entered into. As South American and African leaders say, *we can't be beggars sitting on a sack of gold*. Are PPP revenues used to develop alternative industries (KSA and UAE's diversification programmes), or alternatively used to lower taxes or for current revenue spending. For countries unblessed with natural resources, Preobrazhensky's primitive socialist accumulation (organic growth) may be the only option, made difficult if transitioning to socialism and suffering trade sanctions (the 1917 Russian, 1949 China and current Cuban case). Resource-based PPPs come with potential problems; the alternative of socialist transition (Venezuela) comes with a different set of challenges.

China's Belt and Road Initiative is opening up an economic corridor with Pakistan, including port, highway and energy generation: a major trade and friendship project. A similarly ambitious BRI project with Turkey features high-speed rail enhancing its position as a trading link between Asia and Europe.

National Level Tax and Spend

Public services are sticky (culturally situated and sensitive, reliant on informal knowledge and building trust); like many services they would be difficult to internationally trade and require years of competence-building. Yet as Ford (2016) notes, some of these services, and overall perhaps 40% of all current jobs are under threat of displacement by AI. Think of robotic surgery in health, online learning in education and automated, technologically assisted care services. The reason for potential job redundancy is that some two-thirds of local public services spending goes on salaries, some of which is for professionals. Jansson (2013) taking health, education and care (HEC) services as examples argues for a Keynesian alternative: tax and spend, bemoaning the unwillingness of politicians to justify high taxes for good quality services. He points out that HEC expands job opportunities for young people facing technological unemployment. Mattick (1978, 1981) points out that the Keynesian strategy hits inflation and unemployment when the rate of state expenditure increases faster than the rate of productivity, since state UV production pays salaries that consume without creating marketised commodities (EVs). As the neo-liberal austerity onslaught against welfare gains has shown, even temporary capture of state policy is no long-term guarantee of social change. Keynesian tax and spend solutions to public services challenges are therefore inherently unsustainable. The danger is that Keynesian policies sow illusions that they bring permanent change, when only capture of the state, the dictatorship of the proletariat and democratic planning of production herald a stable socialist future.

Local Level: Re-Municipalisation

As Albalade et al. (2021) note, there is a trend in Europe to re-municipalise value-stock taken from the mutuality sector either by straight privatisation or using

Baumol (1967, 2012) argues that since public services are staff-heavy, there is little opportunity for automation, and they necessarily have low productivity relative to manufacturing. His neoliberal conclusion is that public services should be reduced. His arguments are purely quantitative, rejecting quality improvements as productivity-enhancing. He forgets that public services do use a lot of tangible technology (robotic surgery, refuse vehicles, e-learning, independent living). We completely reject his neoliberal argument, method and conclusions.

PPP. Examples include English cities (such as Liverpool and Manchester) re-municipalising local bus companies they were forced to sell and Scottish rail services. In the German energy sector, 63 new *stadtwerke* (local public utilities) were established between 2007 and 2012. Kishimoto et al. (2017) give 800 cases from 40 countries in the twenty-first century, of PPPs being reversed or re-municipalised. Particularly sensitive are areas such as elder care and education being privatised in PPPs. Research by Petersen et al. (2015) and Guo (2008) shows that local PPPs are resisted by more left-wing controlled authorities, who also favour re-municipalisation (Young and Macinati 2012). Where utility charges increase because of PPPs, Chong and Duong (2015) find that privatisation becomes unpopular. Similar findings in Spain by Campos-Alba et al. (2020) suggest that price rather than ideology motivates re-municipalisation. These cases illustrate how PPPs resulting in worsening of service or higher costs are being reversed in Europe. Voorn et al. (2020) argue from research in the Netherlands that PPP as a policy has lost its lustre. Governance, ownership and control matters: re-municipalising is a gain for the working-class.

10.4 PPP Conclusions

This chapter has argued that value-flow and mutuality provide useful frameworks with which to analyse PPPs, since (LO-10.1) it is not possible to conclude that none add UVs to PV or that all do; it became clear that some PPPs add to PV and others (largely those taking assets and functions out of the mutuality sector) do not add UVs to PV. Analysis of PPPs in Europe and internationally suggests that in Europe PPP as a neoliberal, NPM policy is resisted by many local authorities, some of whom are re-municipalising services in search of PV. This trend is less discernible for PPPs based around raw material extraction in South America and Africa, where other options may not be available or where using PPPs is stipulated as conditionality for WB or IMF support. Some utilities (water, energy, steel, air traffic control) may not be considered for international PPP to protect sovereignty.

Your author was proud to chair the Board of a Scottish Further Education College. Its archaic building was replaced using a Public Finance Initiative loan from government. The college then argued that the loan saddled the college with debt using out-of-date criteria. This was accepted by government, who repaid the loan, leaving the College debt-free. A happy outcome: one of only two PPPs reversed in Scotland.

The chapter discussed MMT, concluding with Marx and Marxists that while the US \$ is a special case as a reserve currency, other specie-issuing states may avoid currency speculation by borrowing/lending within their own institutions; however, over the longer term MMT cannot avoid the law-of-value: inflation and/or currency instability will result from large programmes funding PPPs using MMT. Drawing on Marxist monetary theory (LO-10.3) state spending rises faster than productivity advances are likely to prove inflationary.

Should socialists in public services oppose PPPs? A purist answer would be why embroil public services in international capital flows. The need for investment capital and access options can be used to raise consciousness over defence of mutuality and need for planning (enhancing productivity). Albalade et al.'s (2021) work on re-municipalisation draws attention to issues of ownership and control for planning and service integration.

Workers employed in services they find de-alienating, contributing to the commonweal and taking pride in mutuality and social contribution are surely a more promissory atmosphere for pride and quality of service, innovative ideas and attention to *for-itself* solidarity.

References¹

- Acemoglu D (2013) Why nations fail: the origins of power, prosperity and poverty. Cambridge University Press, Cambridge
- ADBank (2020). <https://www.adb.org>
- Adebanwi W (ed) (2017) The political economy of everyday life in Africa: beyond the margins. James Currey, Suffolk
- Albalade D, Bel G, Reeves E (2021) Are we there yet? Understanding the implementation of re-municipalisation decisions and their duration. Public Manag Rev. <https://doi.org/10.1080/014719037.2021.1877795>
- Baumol WJ (1967) Macroeconomics of unbalanced growth: the anatomy of urban crisis. Am Econ Rev 57(3):415–426
- Baumol W (2012) The cost disease. Yale University Press, New Haven
- Beck U (1992) Risk society. Sage, London
- Beck U (2005) Power in the global age: a new political economy. Polity Press, London
- Beer S (1979) The heart of enterprise. Wiley, Chichester
- Billig M (1996) Arguing and thinking—a rhetorical approach to social psychology. Cambridge University Press, Cambridge
- Birchall J (2000) ‘Some theoretical and practical implications of the attempted takeover of a consumer co-operative society. Ann Public Coop Econ 71(1):29–54
- Birchall J (ed) (2001) The new mutualism in public policy. Routledge, London
- Birchall J (2008) The ‘mutualisation’ of public Services in Britain: a critical commentary. J Coop Stud 41(2):5–16

¹ To avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, Capital is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of Capital. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Birchall J, Simmons R (2004) *User power*. National Consumer Council, London
- Blunden A (2012) *Concepts – a critical approach*. Haymarket Books, Chicago, IL
- Boushey H, DeLong JB, Steinbaum M (eds) (2017) *After Piketty: the agenda for economics and inequality*. Harvard University Press, Cambridge, MA
- Brautigam D (2009) *The dragon's gift: the real story of China in Africa*. Oxford University Press, Oxford
- Bruner J (1990) The narrative construction of reality. *Crit Inq* 18(1):1–21
- Bunker S (1985) *Under-developing the Amazon*. University of Chicago, London
- Campos-Alba CM, Prior D, Perez-Lopez G, Zafra-Gomez JL (2020) Long-term cost efficiency of alternative management forms for urban public transport from the public sector perspective. *Transp Policy* 88:16–23
- Carchedi G (2005) On the production of knowledge. *Res Political Econ* 22:267–304
- Carchedi G, Roberts M (2023) *Capitalism in the twenty-first century – through the prism of value*. Pluto Press, London
- Chalmers AF (1994) *What is this thing called science?* Open University Press, Milton Keynes
- Chang H-J (2005) *Kicking away the ladder: development strategy in historical perspective*. Anthem Press, London
- Chong JLL, Duong LNK (2015) Understanding IT governance effectiveness in Asia: an event study. *Pac Asia J Assoc Inf Syst* 9:1
- Christophers B (2023) *Our lives in their portfolios*. Verso, London
- Cockshott WP, Cottrell A (1993) *Towards a new socialism*. Russell Press, Nottingham
- Collier P (2008) *The bottom billion: why the poorest countries are failing and what we can do about it*. Oxford University Press, Oxford
- Cook M (2011) guardian.co.uk: online participation, ‘agonism’ and ‘mutualisation’
- Czarniawska-Joerges B (1992) *Exploring complex organisations*. Sage, London
- De Grauwe P, Houssa R, Piccillo G (2012) African trade dynamics: is China a different trade partner? *J Chin Econ Bus Stud* 10(1):15–45
- Desan C (2015) *Making money – coin, currency, and the making of capitalism*. OUP, Oxford
- Durand C (2017) *Fictitious capital: how finance is appropriating our future*. Verso, London
- Eagleton-Pierce M (2016) *Neoliberal – the key concepts*. Routledge, London
- EIB (2018) <https://www.eib.org/eppec/#:~:text=The%20European%20PPP%20Expertise%20Centre's,in%20their%20work%20on%20PPPs>
- Ellner S (2021) *Latin American extractivism*. Rowan and Littlefield, London
- ESA (2010) https://www.bafin.de/EN/RechtRegelungen/Leitlinien_und_Q_and_A_der_ESAs/Leitlinien_und_Q_and_A_der_ESAs_node_en.html
- Etzioni A (1968) *The active society*. Collier-Macmillan, London
- European Public Service Union (2023) <https://www.epsu.org>
- Farquharson E, et al (2011) *How to engage with the private sector in public-private partnerships in emerging markets*. World Bank, Washington, DC
- Feinig J (2022) *Moral economies of money—politics and the monetary constitution of society*. Stanford University Press, Stanford, CA
- Fisher I 1911 (2006) *The purchasing power of money*. Cosmio, New York
- Ford M (2016) *The rise of the robots—technology and the threat of mass unemployment*. One World, London
- Foster JB (2022) Nature as a mode of accumulation—capitalism and the financialisation of the earth. *Mon Rev* 73(10):1–24
- Freeman C (1982) *The economics of innovation*. Elgar, London
- Galbraith JK (1995) *The world economy since the wars*. Mandarin, London
- Gilmore RW (2007) *Golden gulag—prisons, surplus, crisis and opposition in globalising California*. University of California Press, Los Angeles
- Grabler D (2013) *Debt: the first 5,000 years*. Melville House, London
- Guo J (2008) *Ecological criticism: a study of Foster's ecological Marxism*. People's Press, Beijing

- Guyer JI (ed) (1995) *Money matters: instability, values and social payments in the modern history of west African communities*. Heinemann, London
- Harari YN (2016) *Homo Deus—a brief history of tomorrow*. Vintage, London
- Harvey D (2010) *The enigma of capital: and the crises of capitalism*. Profile, New York
- Helm D (2015) *Natural capital—valuing the planet*. Yale University Press, New Haven
- HIPP (2022) *Standard*, see Helm D (2015) *Natural capital—valuing the planet*. Yale University Press, New Haven
- Hudson M (ed) (1996) *Privatization in the ancient near east and classical world*. Baruch, London
- Iddrisu S, Alhassan E, Kinder T (2014) Educational reforms and the role of polytechnic education in the socio-economic development of Ghana. *Afr Dev Resour Res Inst J* 11(11):29–52
- Illner P (2021) *Disasters and social reproduction: crisis response between the state and community*. Pluto Press, London
- Ilyenkov EV (2008) *Dialectical logic—essays on its history and theory*. Aakar Books, Delhi
- Independent Newspaper (2015). <https://www.independent.co.uk/money/loans-credit/crippling-pfi-deals-leave-britainps222bn-in-debt-10170214.html>
- Investopedia (2023). <https://www.investopedia.com>. Accessed 19 Jun 2024
- Jansson JO (2013) *The economics of services—micro-foundations, development and policy*. Edward Elgar, Cheltenham
- JDC (2023) UK PPP disaster. https://jubileedebt.org.uk/wp-content/uploads/2017/02/The-UKs-PPPs-disaster_Final-version_02.17.pdf
- Kelton S (2020) *The deficit myth—modern monetary theory and how to build a better economy*. John Murray, London
- Kereiva P, Tallis H, Ricketts TH, Daily GC, Polasky S (2022) *Natural capital—theory and practice of mapping ecosystem services*. Oxford University Press, Oxford, p XXXXXX
- Kinder T, Stenvall J (2021) Public value and public services in the post-virus economy. *Public Sect Econ* 45(3):329–361. <https://doi.org/10.3326/pse.45.3.x>
- Kinder T, Stenvall J (2023) A critique of public service logic. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2023.2182904>
- Kishimoto S, Petitjean O, Steinfort L (2017) *Reclaiming public services. How cities and citizens are turning back privatization*. Transnational Institute, Amsterdam
- Knapp GF (1924) *The state theory of money*. Macmillan, London
- Knight FH (1921) *Risk, uncertainty and profit*. Houghton Mifflin, New York
- Koskimies E, Stenvall J, Kinder T, Leikas J, Nieminen M (2022) Artificial intelligence and public innovations. In: Jalonen H, Väyrynen H, Helander N (eds) *Public innovations in the digital era*. Routledge, London
- Koskimies E, Stenvall J, Kinder T, Leikas D, Nieminen J (2023) Artificial intelligence and public innovations. In: Väyrynen H, Helander N, Jalonen H (eds) *Public innovation and digital transformation*, Chapter 5. Routledge, London
- Kövecses Z (2002) *Metaphor: a practical introduction*. Oxford University Press, Oxford
- Lankester ER (1907) *The kingdom of man*. Archibald Constable, London
- Lazonick W, Shin J-S (2020) *Predatory value extraction: how the looting of the business corporation became the US norm and how sustainable prosperity can be restored*. Oxford University Press, Oxford
- Levin JS (2005) The business culture of the community college: students as consumers. *Can J High Educ* 24(1):72–87
- LGA (Local Government Association) (2022). <https://www.local.gov.uk>. Accessed 19 Jun 2024
- Lyons A, Kashima Y (2003) How are stereotypes maintained through communication? The influence of stereotype sharedness. *J Pers Soc Psychol* 85(6):989
- Marx K (1844) On the Jewish Question, (accessed 201031) available at <https://www.marxists.org/archive/marx/works/1844/jewish-question/index.htm>
- Mattick P (1969) *Marx and Keynes*. Extending Horizons Books, New York
- Mattick P (1978) *Economics, politics and the age of inflation*. Merlin, London
- Mattick P (1981) *Economic crisis and crisis theory*. Merlin, London

- Mitchell W, Wray LR, Watts M (2019) *Macroeconomics*. Macmillan International, London
- Molokwane T, Lukamba (2023) *Public-private partnerships in Africa*. Lexington, New York
- Morsy AM (2010) Understanding the relationship between the demutualization decision of stock exchanges and the theory of the firm: a theoretical research note. *Eur J Econ Finance Adm Sci* 23:139–148
- Nagel T (1970) *The possibility of altruism*. Princeton University Press, Princeton, NJ
- Needham J 1943 (1986) *Time – the refreshing river*. Allen and Unwin, Nottingham
- Olusoga D, Erichsen CW (2010) *The Kaiser's Holocaust – Germany's Forgotten Genocide and the Colonial Roots of Nazism*. Faber and Faber, London
- Olusoga D (2016) *Black and British – a forgotten history*. Macmillan, London
- Osborne SP (2010) The (new) public governance: a suitable case for treatment. In: *The new public governance*. Routledge, London
- Ostrom V (1973) *The intellectual crisis in American public administration*. Alabama University Press, Tuscaloosa, AL
- Petersen O et al (2015) How do governments support the development of public private partnerships? Measuring and comparing governmental PPP support across 20 European countries. *Transp Rev* 1-28. <https://doi.org/10.1080/01441647.2014.993746>
- Piketty T (2013) *Capital in the twenty-first century*. Harvard University Press, Cambridge, MA
- Pollock AM (2006) *NHS SOS: how the NHS was betrayed and how we can save it*. Verso, London
- Preobrazhensky E 1926 (1965) *The new economics*, 2nd edn. Clarendon Press, Oxford
- Rittenburg TI, Gladney GA, Stephenson T (2015) The effects of euphemism usage in business context. *J Bus Ethics*. <https://doi.org/10.1007/s10551-014-2501-4>
- Roberts M blog, 160523, *Vulture capitalism* see <https://thenextrecession.wordpress.com/2024/05/08/vulture-capitalism/>
- Roberts M (2008) *The great recession*. Lulu Press
- Roberts M (2016) *The long depression – how it happened, why it happened and what happens next*. Lulu, London
- Roberts M (2020) *Friedrich Engels – his Contribution to Political Economy*, Lulu.com, London
- Rodik D (2017) *Straight talk on trade—ideas for a sane world economy*. Princeton University Press, Princeton, MA
- Rodney W (1972) *How Europe underdeveloped Africa*. Verso, London
- Roy T (2022) *The economic history of India 1857-2010*. Oxford University Press, Oxford
- Sandor RL (2012) *Good derivatives – a story of financial and environmental innovation*. Wiley, London
- Schank R, Kass A (1990) *Explanations, machine learning, and creativity*. In: *Machine learning*. Morgan Kaufmann, Berlin
- Shiller RJ (2019) *Narrative economics—how stories go viral & drive major events*. Princeton University Press, Princeton, NJ
- Simmel G (2011/1923) *The Philosophy of money*. Routledge, London
- Slaughter S, Rhoades G (2004) *Academic capitalism and the new economy: markets, state and higher education*. Johns Hopkins University Press, Baltimore, MD
- Thompson EP (1967) *The making of the English working class*. Pelican, Harmondsworth
- Tooze A (2018) *Crashed—how a decade of financial crises changed the world*. Allen Lane, London
- Varoufakis Y (2011) *The global minotaur*. Zed Book, New York
- Von Hayek FA (1945) The use of knowledge in society. *Am Econ Rev* 35:519–530
- Voorn B, Van Genugten M, Van Thiel S (2020) Performance of municipally owned corporations: determinants and mechanisms. *Ann Public Coop Econ* 91(2):191–212
- World Bank (2023) <http://econ.worldbank.org>
- Weber M (1978) *Economy and society: an outline of interpretive sociology*, *Service worlds: people, organisations, technologies*, vol 2. Routledge, London
- Williamson OE (1975) *Markets and hierarchies: analysis and antitrust implications*. Free Press, London
- Wittfogel K (1957) *Oriental despotism*. Yale University Press, New Haven

- Wray LR (2016) *Why Minsky matters: an introduction to the work of a maverick economist*. Princeton University Press, Princeton
- Yescombe ER, Farquharson E (2018) *Public-private partnerships for infrastructure: principles of policy and finance*. Butterworth, London
- Young S, Macinati MS (2012) Health outsourcing/back-sourcing: case studies in the Australian and Italian health sector. *Public Manag Rev* 14(6):771–794

Chapter 11

Marx and Services for the Elderly



Abstract This, the first of four chapters on value-flows in public services, analyses services for the elderly beginning with a brief historical look at old age (a social construction) and how longevity and quality of ageing have benefitted from public service use-values leading to a critique of Social Darwinism's naturalisation of capitalism and its social relations. While neoliberals alternatively emphasise ageing populations as a problem of dependency ratios and non-productive labour, for socialists ageing is an achievement of public services (including technological advances in housing, diet and healthcare) refuting Malthus' pessimistic predictions and instead viewing ageing as an opportunity for dis-alienating leisure pursuits, including activities benefiting other citizens enjoying the benefits of lifetime contributions into welfare funds. Capitalism exploits the elderly often with financial services products and commodities designed for profit not use-value aiming to monetise the elderly, while in developing countries, elderly people can face the same social murder Engels analysed in the 1840s Britain. The chapter concludes with policy discussion on high-quality ageing and avoiding an aged industrial reserve army of labour.

11.1 Introduction

Chapters 1–5 established a Marxist value framework for public services, followed by Chaps. 6–10 analysing how and with what results use-values (UVs), as wealth solving citizens' problems, creates public value (PV) by the welfare and neoliberal states, households, third-sector (3S) and some public–private partnerships (PPPs). We now turn to two chapters analysing value-flows in public services to social groups (the elderly and youth), followed by two chapters focused on services (healthcare and city-services). This chapter examines public services for the elderly.

Early industrialisation can be a terrible time to be elderly. Engels (1845) applies his concept of *social murder* in the *Conditions* speaking of *male and female, young and old, are huddled together in revolting confusion of over-crowded housing*. Social murder is a crime without a criminal in capitalist eyes—the ill labourer

sacked and placed in the industrial reserve army of labour: workers no longer able to produce surplus-value (SV) are useless to capitalism.

As working-class strength grew, public services were gained from capital: working hours, factory conditions and the first state old age pensions. After 1945, Phillipson (1982) notes, industrialised countries conceded welfare states. Marson (1991) noted how Trade Unions and social democratic parties broke the association between old age and poverty: state pensions and public services. Yet even today, life expectancy in rich Chelsea (UK), is 10 years higher than in poorer Glasgow: differences explained by social class not biology.

Today, in rich countries elders are monetised (see below): an important capitalist market: savings, insurance and elder consumer spending (£319-billion pa according to ILC UK, 2019). Thus, for sections of the bourgeoisie (retail, care services, holidays, financial services), the elderly as consumers are a major source of profit. Not so in developing countries, many of which cannot afford transfer payments to the elderly. Neoliberals, meanwhile, cite dependency ratios as an excuse to cut services and cut taxes; resisted by groups such as Kuhn's (1979) grey-Panthers.

The Irish poet and anti-colonialist Yeats paints a comfortable picture of elders, *old and grey and full of sleep, And nodding by the fire*. Victor Hugo the French author of *Les Misérables*, written for elderly poor people wrote of *the degradation of man by poverty, the ruin of women by starvation, and the dwarfing of childhood by physical and spiritual night*. Thane's (1990) *Long View of Old Age* notes that large families were in part to provide for old age poverty. In the richest country on earth, the USA, one in ten over-65 s live in poverty.

Within the working-class inter-generational value-flows (from young to old) too are meeting resistance, as we discuss below. Whereas historically value flowed from the old to the young, today a trend is value flowing from young to old. Ending work, retiring, is relatively new in historic terms, dignity in retirement is helped by public services such as health, care (including housing), education and leisure. The scope and quality of services for the elderly and those retiring early depend on class relations and cultural factors.

Any society can be judged by how it cares for, or does not, its young and elders. This chapter explores services for the elderly (including pensions and welfare benefits). Since the first retirement pension introduced in Germany in 1881 (for people over 70, when average male longevity at birth was 40). Retirement age internationally is around 65 (men) and 60 (women), now equalising by raising all retirement ages, the age at which state pension payments begin. There is wide variation in retirement age and services available. A Global Pension Index (2023) ranks Nordic and rich EU countries as best, with poorer South American, African and Asian countries worst. A third of Thai elderly live in poverty; urban figures are worse than rural. Times of India (2023) reports that 40% of elders live in poverty with 18% no income at all.

11.1.1 Structure

The chapter examines what we know about services to the elderly: the historical perspective, an overview of demographic changes, inter-generational value transfers, and contested theoretical perspectives on services. By looking in detail at services for the elderly, we explore leisure, technologically assisted independent living, retirement pension arrangements and current public policy issues. Turning to Marx, we consider his unique contribution to analysing services to the elderly, in particular the value approach and post-working workers, and monetising the elderly, drawing theoretical and policy conclusions.

Learning Objectives

- **LO-11.1:** Since this is the first of four chapters with a services theme, we introduce the nature and character of services, differing theoretical approaches and Marxists insights into understanding public services for the elderly/senior citizens. The chapter clarifies what Marx's value perspective reveals about market/private and public services, and non-producing labour (as opposed to non-productive labour)? From this arise a range of issues including changing dependency ratios, prematurely ageing economies and how people spend their years after paid employment, highlighting gender and race differences.
- **LO-11.2:** As we understand more about the biological processes of ageing, we also understand that *elder* is a social construction altering significantly as the young define the old rather than the old define the young and as patterns of inter-generational value transfers change. We critically assess social Darwinian approaches to the elderly and eugenics, noting also important cross-cultural differences such as filial responsibility. Importantly, we consider how technological capabilities are impacting on services to the elderly asking if these increase equity or inequalities?
- **LO-11.3:** Juxtaposing the wide scope of services for elders in European welfare states with services available in developing countries we consider how far convergence is occurring and by what process can developing countries best develop services and benefits for elders.

11.2 What Do We Know?

Beginning by taking a Marxist attitude towards different theories of what services are, this section then briefly historicises old age, explores demographic trends, inter-generational value transfers and explains why Malthus was and is wrong to predict population implosion. Then it explores a selection of services for the elderly including life-long learning, leisure, mental health, technologically assisted independent living and pensions.

11.2.1 *Services: Their Character and Meaning*

The character of services and approach to public services is a contested domain, some of the areas of argument are as follows.

Gershuny and Miles (1983), Normann (2002) and Vargo in Lusch (2008, inconsistently) wrongly characterise services as intangible. All services, as Shostack (1977) argues, include some tangible element, they are a continuum between tending towards tangible or tending to intangible. The Doctor comes with the pill, the Teacher the book and the Social Worker physical help. This is important because part of Baumol's (2012) argument that public services are inefficient is that productivity cannot increase for intangible elements (another error).

Grönroos (2017) argues that *only* service users and not providers create value: the patient not the doctor, the pupil not the teacher; indeed, he argues that public service providers are not part of value constellation. He rejects alternative notions of democratising public services (such as Keast 2021) and insists on managerialist control and disciplinary power: capitalist methods transferred into the mutuality sector. Marxists support efficiency and productivity but for the benefit of democratic ends, we reject managerialism and insist on democratic planning of public services (including service users).

Vargo and Lusch (2008), who inconsistently alter their characterisation of service tangibility, are consistent in their neoliberal position of ignoring public services, advocating a diminished public sector, free markets and low taxes. They also insist that service users, not providers, create value. Their (marketing) notion of a shift from a goods to a service-dominant logic is an idealist and epochal generalisation, which, though sounding neat, comes with neoliberal baggage.

All *minds-on* services engagement coproduces. The student in class will learn nothing unless she pays attention, assesses her existing knowledge in the light of new information and perhaps takes notes (Fig. 9.2 levels of coproduction). Coproduction for Pestoff (2018), Osborne (2010), Bransen and Honingh (2018) intends to support service design and delivery. Osborne et al. (2021) insist that it is the service user that creates value and not the Doctor or Teacher providing the service. Coproduction can be a neoliberal strategy: (a) As Leibenstein (1966) argued, it transfers cost from the state to citizens, A-efficiency; (b) previously public sector activities are substituted by (third-way communitarian) non-state volunteer activity. For Marxists, informal involvement in public services is welcome, especially during service design. However, coproduction introduces uneven level of service quality and access.

Value, in the form of UV (labour working on natural items, that solves citizen's problems) creates public services PV. Value is destroyed, if during a recession some capital lies fallow, or is physically destroyed in war or natural disaster or by unemployment. Marx was familiar with the first law of thermodynamics knew that destruction displaces energy. In different processes, EVs remaining unsold, mean SV not realised. Marketing studies following Parasuraman et al. (1985) focus on gaps between what provider offer and customer perceive as being offered/received,

i.e. value potential unrealised, problems remaining unresolved. Mahajan (2019) terms value-destruction (see Sect. 6.2.4 critique).

Dadau and McAlliser (2019) criticise problem cocreation literature as always positive when change can be negative, especially innovation failure. Eriksson et al. (2023) follow a similar path: value creation can be negative misuse of resources, or mistaking goals of other agents. Both equate value-destruction (VD) with destroying *unrealised potential*, destroying something only potentially in existence. VD in private sector examples include Farquhar (2014), who discusses the divestment of net-cost customers; Liedtke and Young (2017), who explore avoiding negative outcome mergers and Mahajan (2019), who examines investments in smarter technologies. All are potential cases of value diminishment that is being destroyed. Public sector examples also call for the destruction, not of things in existence, but of potential value-losing activities. Examples include Hartley et al. (2019), who discusses leadership to avoid cutting services; or and also notes the issue of simply shifting costs to another organisation; exercising poor policy or using private monopolies (see also Bozeman 2002) VD examples include failing to integrate resources and making mistakes (Engen et al. 2020) and Abid et al. (2022), who state that VD arises if negative customer experiences are not avoided. VD can also result from resource misuse, misaligned behaviour (Osborne et al. 2022) and Culey et al. (2023), who state that mistaken market-budgets can cause VD. But, how can something not in existence be destroyed or de-built? Marx's notion of destroying nature or constant capital in a recession relates to material objects, VD in PM seems to be either a re-hash of Parasuraman gap theory (services not meeting expectations) or a re-write of the first law of thermodynamics, destroying something not yet in existence. VD in this sense is nonsense.

Marxists reject the characterisation of services as intangible, requiring managerialist control, the neoliberal abstract generalisation of Vargo and Lusch, and the substitution of coproduction for public services. Confusions around the meaning of value-destruction (co-destruction) were considered, offering some clarification.

11.2.2 *Historicising Old Age*

Even in pre-industrial society, those surviving childhood had a chance of joining the 10% of the population over 60-ya. Living alone as a tendency is not confined to the elderly, nor (King Lear) seeking to protect oneself from avaricious children. Socrates noted that respect for the elderly was not automatic but depended on their contribution to society. Jonathan Swift satirised the live-forever Struldbruggs, crippled by deformity: the lesson being that quality of life matters not only length. Shakespeare's (perhaps Marlow's) *As you like it* 7-ages of man, includes the line, *I'll do the service of a younger man*. Montaigne (1995) perhaps wrote his best essays when older.

Knowing one's grandparents is a novel thing since the end of 1700s, Thane (2005) says. In pre-industrial and early industrial society people did not retire, they worked until they dropped, much as peasants in agricultural society today. In 1900

average longevity in Scotland was only 40 years; today perhaps half Japanese babies will become centenarians. Overall in the UK, France and Germany 78% of people over 64 in 1880 were still working, dropping to 65% in 1900, 58% 1930 and 20% in 1990; migrants and refugees work longer.

After 1890, US military personnel received a pension at 65, which by 1945 had generalised as retirement age in developed countries: people working 50 years from 15 to 65. Women often retired at 60 (police and prison officers at 50). Many large companies in the 1960s *allowed* early retirement and in the 1980s *compelling* early retirement using redundancy to downsize. Some people simply retired as soon as they were financially able, helped in rich countries by a two-tier pension arrangement: a state basic pension plus private pension (compulsory and voluntary saving). Since many of the elderly in rich countries were home-owners, these pensions added to equity release from downsizing homes. Trends now in rich countries are to equalise and raise the retirement age, austerity eats away at state pensions and benefits and quality of public services hollowed out. In some rich countries the predominant narrative is ambiguous: the elderly should leave jobs for the young, while elderly should work into old age. Other narratives include the elderly are irresponsible if they are over-weight, smoke or drink excessively because they unnecessarily add to public healthcare costs. In Europe public policy favours independent living within the community, US-gated communities in sunspots are an alternative strategy. De Beauvoir's *Old Age* (1985) argues that we fear decrepitude and can become infantilised, the outlook in this book more positively examines what society does for the elderly and how the elderly contribute to society and how both can improve.

11.2.3 Demographic Changes

Four demographic trends currently predominate: (a) a bulge in young working-age people—the demographic dividend, (b) a declining birth-rate (delayed or foregone childbearing), (c) longer lives extending the period after ceasing work and (d) rising dependency ratios (proportions working and paying tax in relation to those retired and receiving state benefits and using elder public services).

- The demographic dividends Japan and China enjoyed now clash against job shortages (especially in African cities), premature ageing i.e. fewer young workers (especially Indonesia, Philippines and Thailand) and fewer ex-agricultural workers taking industrial jobs (the Lewis cross-over effect).
- Ermisch's (1990) *Fewer Babies and Longer* drew attention to declining birth rates, especially the choices younger women make, found in some Asian countries and Eastern Europe when state childcare ended after 1991. Family size reduces with urbanisation and countries such as China and India promoted policies reducing birth rates.
- Longer lives is a beneficial effect of public services such as healthcare and housing, state benefits enabling earlier retirement, plus improved diets. By 2050, UN

(2019) figures suggest 15% of global population will be over 65-yoa, rising to 25% in rich countries, elders outnumbering children and total fertility rate (TFR) under the 2.1 babies per woman needed to sustain population. Japanese and Italians are predicted to halve by 2100. From near a billion over-65 s in 2025 globally the figure will be 1.5-billion in 2050, with the share of the elderly in populations doubling in north-Africa, and west-central, south and SE Asia, and the South American/Caribbean region.

- Dependency ratios frame old age as a burden on youth, a better measure is the rate of ageing in relation to the rate of productivity increases during working lives. Dependency arises because today's benefits and services are paid from current taxation (fiscal wealth) and not historically cumulated production. Viewed historically, elders are not dependent: they have enhanced productivity to pay for current state benefits and public services. Policy-makers create inter-generational conflict by framing ageing society as a dependency problem, confined to tax receipts and expenditure. By this measure dependency will increase to some 60% in industrialised countries by 2030 and 70% by 2050. Japanese and Italian populations are predicted to halve by 2100. The neoliberal answer is to cut state benefits and public services forcing pensioners to live off liquidated assets and savings. Marxists look to improving productivity and celebrate ageing as an achievement of public services. From near a billion over-65 s in 2025 globally the figure will be 1.5 billion in 2050, with the share of the elderly in populations doubling in north-Africa, and west-central, south and SE Asia, and the South American/Caribbean region.

Social (Re)-construction of the Elderly

Old age is socially constructed in terms of legalities (benefits, retirement age), how the elderly are viewed and how they view themselves. For example, given longevity, we often categorise young-mid-and old-old age. Active ageing is encouraged for well-being and to minimise ill-health, with the University of Third Age (U3A) offering life-long learning opportunities, and (in China) collective line-dancing on evenings. The dominant social dimension of old age remains class: rich and poor, powerful and weak.

Globally life expectancy has doubled in the last 200 years. In 1950, 5% of the global population was over 65 years old; by 2015, this had increased to 8% and it is projected to reach 16% by 2050. Ho and Hendi's (2018) 18-country study found declining life expectancy in 12 countries for women and 11 for men, primarily amongst the elderly, with the decline most pronounced in the USA and UK. Since 2020 (before Covid) US life expectancy which had risen to an average 79 has fallen to 76 in 2021; life expectancy in rich countries is declining. Yet as always in social statistics class aspects are hidden. Chetty et al. (2016) find that gap in US life expectancy between the richest 1% and poorest 1% is 15 years! A gap Lorenzoni, Belloni and Sassi (2014) say is mainly due to lifestyle and working conditions: smoking, diet, exercise, opioid addiction, road accidents. Note that inequality is wider in the

USA than other rich countries, particularly affecting, Chen et al. (2016) say, infant mortality. Case and Deaton (2021) investigating life-expectancy differences from the viewpoint of educational level find an 8.5-years difference in the USA between graduates and non-graduates and 20-years difference between the richest and poorest counties (those with indigenous Indian groups).

The elderly are not a sub-culture, as Phillipson (1982) suggested, stereotyping a supposedly homogenous group. Instead elders remain part of class stratified society, with both the capitalist and the working-class facing class divisions with internal divisions and differential consciousness: endless round-the-world cruises or endless continued work! Health remains a class issue: *Hence capital is reckless of the health or length of life of the labourer, unless under compulsion from society* (Capital, V-1:257). Well-being is a class issue, related to income, security, services, cutting across biological generalisations.

Some elderly re-enter the industrial reserve army (IRA) of labour, to be called upon at the will of capitalists during boom times and discarded when not needed: Standing's (2016) precariat. In XX-Factor (Wolf 2013) rich women employ poor women, or an informal industrial reserve army (IRA, precariat) grandparent cares for children while mothers work or temporarily migrate: part of social relations of reproduction. One aspect of gendering amongst the elderly is that women typically live 5-years longer than men: a result of retiring earlier. Older women can be ignored by feminists—who focus on young women's sexuality and identity—are especially at risk of poverty if they lack state benefits and face declining filial responsibility.

The elderly are segmented by social class one aspect of which is ability to accumulate assets and liquid savings made during working life. Elderly consumption and savings are an opportunity to capitalism to monetise old age. Rich elderly: leisure, clubs, downsizing house; sometime no change in consumption patterns from working age (WOOPIES well-off, older persons). Private savings and pensions schemes: source of funds for major capitalist institutions to invest, attaching working-class elders' welfare to the equity market uncertainties. Weber (1979), who rejected class analysis, pointed to changing status with age, as in *I used to be somebody, now I'm retired* a negative perception of the elderly. The current generation of retirees (often a conservative vote in elections) happily enjoy the fruits of the welfare state with inflation-proof pensions and own property, redistributing income from the young to the old. As Bano (2024) points out, for young people home ownership is a receding dream, they often face difficulty as landlords increase rents.

11.2.4 Inter-generational Value Transfers

As any Jane Austen reader knows, traditionally the propertied elderly held property and wealth which the young aspired and conspired to inherit wealth transfer aiming to maintain or grow family wealth. Today, inter-generational wealth transfer (inheritance or gifts) uses money or property gifting, with the very rich avoiding tax by using trusts and off-shore treasure islands, the poor inheriting very little and the

middle-class actively finding their children struggle to buy houses. Beckett's (2008) survey of inheritance law and practice finds wide testator rights in the USA, while in Europe maintaining family wealth is a priority. Almost half of people, he finds, have no wealth to leave.

An Institute of Fiscal Studies (IFS 2023) report using Wealth Asset Survey from the USA says that in any year 5% of adults receive substantial gifts (30% over a longer timespan), 10% of which are over US\$ 20,000 mostly (83%) from parents to children. The poor, blacks and Asians tend to receive little. Gifts are often for house purchase by the young or marriage. Wealth accumulation has spiralled in recent decades due to house price inflation—quantitative easing (QE) neoliberal policies boosting asset prices. Bourquin et al. (2021) note that total US wealth transfer is US\$ 15-billion per year. With rising longevity, transfers can skip a generation.

A Resolution Foundation (RF 2023) investigation in the UK says that total value transfers will be £30-billion by 2035, with 2.5% of GDP changing generations each year, maintaining capitalist capital intact. While some £5-billion is paid in inheritance tax each year, the very rich avoid it using off-shore trusts and treasure islands. Gifts are mostly cash with 45% being property transfer. Inheritance tax in public discourse is unpopular if framed as savings to be passed on, however inheritance tax is more supported if framed as unearned income that should be taxed heavily. Rich and middle-class inter-generational wealth are life-changing for younger people enabling house purchase or business startup: passed-on privilege.

An Australian Government (2023) report speaks of a *great wealth transfer* worldwide: US\$ 68 trillion is expected to flow between generations from the post-1945 generation, who, because of neoliberal policies, have enjoyed asset inflation, resulting in the largest inter-generational wealth transfer in history. Wealth transfer in the USA allows for US\$ 12-million tax free, plus annual \$16,000 gifts, only then would 40% tax cut in, however, the very rich take wealth management advice and avoid tax.

Piketty and Zucman (2015) say that in rich countries, inter-generational gifts are 30% to 60% GDP. They argue forcefully that taxing unearned income is progressive, favouring a 90% wealth tax on assets held above US\$ 1-billion and a return to post-war top marginal income tax rates of 80% for the rich, which between 1945 and 1975 did not impede growth.

Will meritocracy and progressive taxation create equality?

Krastev and Holmes (2019) point to neoliberalism displacing liberal Keynesian economic management and its associated welfare accompanied by progressive taxation, as a *light that failed*; the post-1945 liberal agenda crashed into capitalism greed and rising inequality. For Luce (2017), Bartels (2018), Runciman (2018) and Levitsky and Ziblatt (2018) inequality has corrupted the democracy and the liberal ideal in developed countries. Calls for an end to tax dodging using unaccountable banks, trust funds and tax havens join proposals for progressive wealth taxes by Boushey et al. (2017), Zucman (2015) and Piketty (2014, 2020). Not only is this strategy doomed because democratic processes are corrupted with the rich holding sway, but we also cannot assume that the rich will quietly sit by and not opt for the fascist alternative. Taxing capitalist inequality out of existence is the stuff that

dreams are made of, in the same way that Rawls (1971) argues moral persuasion (even he admits) is unrealistic.

Another liberal alternative, meritocracy and equal opportunity was criticised by Young (1958) who was concerned that a non-meritocratic under-class would be excluded from progress, the people Hilary Clinton designated *deplorables*. Young was right to predict that free market liberalism would create massive inequality as Puspitarini and Anggraini (2019) acknowledges—trickle-down economics has failed to trickle down to Java or the one third of US children growing up in poverty. For Sandel (2020) the *tyranny of merit* exposed (2020: 42) that *The rich are rich because they are more deserving than the poor*. As Du Bois (1935) noted, the rich are rich *because* the poor are poor. No amount of liberal soul-searching and charitable giving denies the logic of free markets towards monopoly and Standing's (2017) rentier capitalism, with wealth accumulating to those who have it and not merit, or hard work. Anywhere people trump somewhere people (Goodhart 2017).

Almost half people dying leave treasured memories but no wealth, a proportion surely higher in poorer countries. Unearned wealth is socially the most justified to tax for the benefit of society as a whole. Liberal aspirations for meritocracy and equal opportunity have failed to change class structures underlining why public ownership of society's wealth is the foundation of democracy and shared progress.

11.2.5 *Malthus Was Wrong*

Malthus (1766–1834), who Marx called the *dismal pastor*, argued that since food production increased arithmetically while population expands exponentially, Britain was heading for overpopulation and should export undesirable residents to places less desirable. In TSV Marx had much fun pointing out that the arithmetic/exponential projects were idealisms, invented, without any grounding reality. Agricultural productivity was a more serious matter. Marx followed Liebig the German soil scientist who argued for natural fertilisation (Chap. 3), Marx also (correctly) predicted productivity-enhancing scientific breakthroughs, all premised on protecting the natural environment from unsustainable use by capitalism. As Fig. 11.1 shows, industrial and urbanisation are accompanied by social change and falling birth rates. Malthusian arguments keep resurrecting, for example in Ehrlich's population time-bomb and *Limits to Growth*. Current research highlights five issues.

- Japanification: the Japanese and Italian population are predicted halve by 2100 due to total fertility rates (TFRs) of 0.49 and 0.47 (South Korea 0.8) giving rise to dependency ratios requiring significant productivity improvements. Ageing is associated with lower innovativeness: fewer entrepreneurs and business startups.
- Premature ageing: meaning falling TFR without first benefitting from demographic dividend. Thai 1.3 and Brazil 1.6 most of E Africa 1.5.

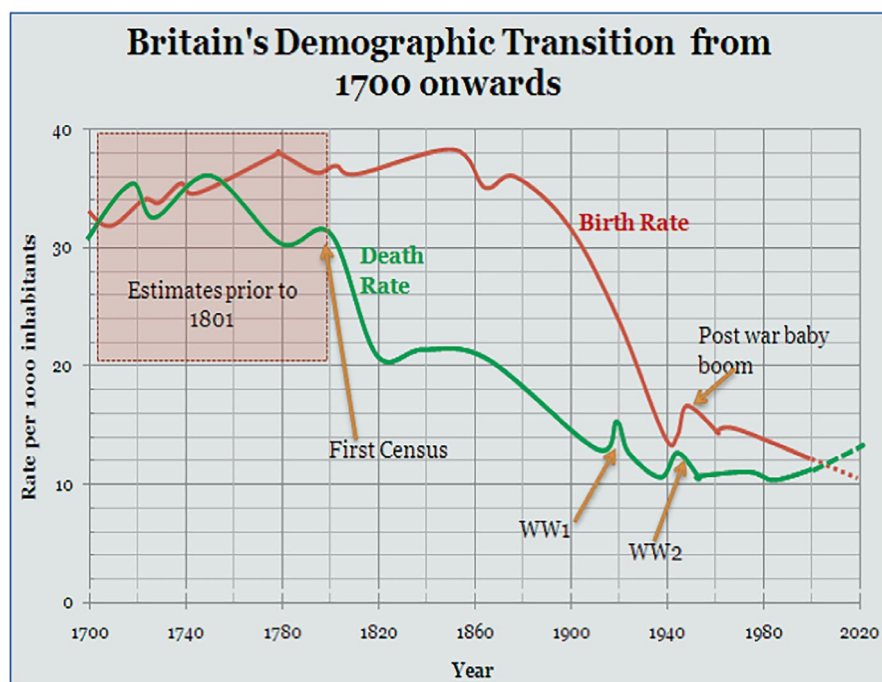


Fig. 11.1 Britain demographic transition

- Migration: capitalism wars, an unlivable environment (the need for labour) but (often) racism. Major population movements are expected to result from global warming.
- Longevity is falling in the USA and UK, though class differences remain. Just 7-km separate posh Kensington in London from poorer New Cross gate, yet there the *Economist* (110324) reports a staggering 18 years difference in longevity (92 years to 74).
- Market incentives to have children likely to fail. Singapore offers large grants to the parents of new children, which now run to 11,000 Singaporean dollars (\$8300) for the first two children, and 13,000 Singaporean dollars for anymore, on top of tax rebates and childcare subsidies. Parents are given priority over other buyers in subsidised apartment sale schemes. But Singapore's total fertility rate is just 1.0: whatever the effect of the policies, it is nowhere near big enough to avert demographic decline.

Current population and social transitions are resulting in massive unemployment in developing economies (think Nigeria), rapid growth in emerging economies (think China) and rising dependency ratios and costs of elder care in developed countries (think UK). The so-called *smart ageing plans* target raising retirement ages, promoting life-long learning and shifting responsibility for pensions from collective welfare to individual savings.

For Malthus overpopulation resulted in famine and disease, modern version of which include Klausen (1998) and Dabla-Norris (2015) and Scheidel's (2017) *Great Leveller*. Public services disrupt the Malthusian narrative by providing the dietary, living space and healthcare reducing or eliminating apoplectic events. For example, the famine that plagued colonial India was eradicated following independence, as Foster (2020) notes.

11.2.6 *Public Services for Elderly*

Life expectancy in Birmingham, the scene of unhealthy industry yet an early provider of municipal public services, increased from 37 to 42 years between the 1860s and 1890s, whereas the equivalent increase in England and Wales was 41 to 46 years, showing that public services in isolation are insufficient if the wider (industrial and environmental) conditions remain unhealthy: both are necessary. Although the USA is now overwhelmingly a (healthy) service economy life expectancy is falling because of poor public services.

Life-Long Learning and Employability Competences

Whalley's (2001), *The Ageing Brain* notes that learning difficulties (not mental health or dementia) has halved since 1970. Longevity is the result of improved medicine, health, diet, housing and Health and Safety at Work. Brain cells begin to die out after the age of three. *Free Radical* theory envisages multiple ageing processes. Free radical cells (unpaired electrons which potentially damage the efficiency of other cells) in creating unrepaired cells create biological ageing—a failure to adapt to a changing environment resulting in brain disorders, such as incomplete synaptic processing (memory loss). Healthy brains adapt to new environments creating new brain cells and new synaptic connector routes (neurotransmitters). Beginning in early adulthood, degradation of the myelin sheath correlates to a declining ability to perform some complex tasks. After 50 years of age, water loss begins to shrink the brain's size, resulting in smaller cortex sulci, larger internal ventricles and the ineffective neurotransmission associated in extreme cases with Alzheimer's and Parkinson's diseases. As people live longer, dementia increases (Alzheimer being one type). The current one-million sufferers in the UK is predicted to grow as the population ages, lower rates of ageing (e.g. India) mean lower dementia rates.

Some employers (e.g. Tesco) argue that employing older people is cost-effective: (greater loyalty and discipline). Some studies argue that slower can be more efficient, i.e. older people are more productive. New family structures and creative ageing are likely to create more grey-entrepreneurs starting businesses and acting creatively: how will such processes pan out?

Leisure

For APTA (2014) leisure is a non-obligatory activity, intrinsically motivated, using discretionary time (not as work, self-care, or sleep). Jeong et al.'s (2020) research in South Korea suggests 81 leisure items using 8 categories and 22 subcategories—four hours per day on leisure. Leitner and Leitner's (2004) USA research identifies paid-for activities such as golf, swimming and cinema. UK research (McAvoy 2018) finds indoor public services activities in community centres and outdoor (gardening, walking and golf) mostly non-resource specific and unpaid. Research in Poland (Śniadek and Zajadacz 2010) found non-paid leisure: garden, TV, family and friends, newspaper, walking. Su and colleagues (2006) find fewer paid-for activities in rural China, activities being communal, often in public service centres with family and friends and an increasing amount of travel. 25% of UK elders participate in 3S organisations, 50% book clubs and 20% life-long learning. USA grannies enjoy cruises, if only for the low-cost healthcare. The ships often have one morgue space per 500 passengers.

Leisure reflects society: Cubans and North Koreans enjoy public libraries (Pateman and Pateman 2021) and public services such as pools and sports courts. South Africans (Dhurup et al. 2009) lack public services. Nigerians (Abonyi and Onwuka 2023) enjoy gardening, reading, pace walking, jogging, light yoga, playing cards, jigsaw, playing lawn tennis, table tennis, using exercise machines or cycling and water aerobics: rich people are more active. Finnish elders avoid sedentary existence avoiding loneliness and search for meaningfulness in friendships (Tirronen et al. 2018). This is like Canada (Cantor et al. 2022), where the 10% of elders in poverty enjoy only free pursuits, often in informal groups.

Many of the (global) 1.5-billion grandparents enjoy the company of grandchildren, though perhaps less if it is an obligated childcare (often so in Mexico). In Senegal, the average is 3.5 grandchildren. Living with in-laws prevents many Indian women from working. In Chinese 4-2-1 families, sometimes children live with grandparents while parents work away (the hukou restricting family migration).

Active ageing is good for mental and physical health. Studies show a clear class divide in leisure pursuits with higher-income elders affording paid-for services unavailable to poorer elders; sharpest in developing countries and USA (security-guarded) gated communities. Happy elders enjoy a wide range of public services and participation opportunities. Overall, leisure remains stratified by class.

Technologically Assisted Independent and Interdependent Living

Instead of housing elderly, disabled or mentally-ill people in institutions, European countries have evolved the policy of independent living; continuing elders in their own home (some exceptional cases). Independent living is ethically superior, providing better quality services at lower cost. The ambient service ecosystem elders require can now be supported using alert, alarm and assistive technologies (Kinder 2010), including outside tracking, setting zones of safety, crossing which signals

alarms to formal and/or informal carers. Close interaction in the home using smart TVs allows formal and informal carers/friends to stay in touch. Alarms are triggered in the event of falls, temperature rises, fire, etc. Smart housing allows social workers and discharge Nurses to configure homes more easily avoiding costly bed-blocking in hospitals. Independent living pulls and integrates services from doctors to community education, from social services to police and housing. For those countries urbanising, spatially separating families, independent living technology allows family to track and communicate with elders remotely and nomadically at a distance. Keeping communities united across generations, mixing generations is a Marxist approach to elder care, the unity of opposites. As technology costs tumble, so the opportunity for developing countries to leapfrog the old residential model of care and move directly to independent living.

Pensions

Pensions are deferred wages. Most European countries have enforced saving to create a pension entitlement in older age, often supplemented by private savings, organised with employer contributions or independently. To reduce employer's contributions, many employer-based schemes have shifted from defined-benefit to defined-contribution, reducing pensions paid and benefits such as life assurance and ill-health early retirement. Many countries also have benefits payments to the poor, sometimes guaranteeing a minimum living standard. US arrangements (411-accounts) are tax-relief personal savings invested in equities (and therefore rising or falling with equity markets). Since public sector pension schemes are large and financial institutions with pension products also have large funds to invest, pension investments are a major source of finance capital for capitalism. Company pension schemes, while having some protection, are often raided in takeovers and mergers, leaving a funding deficit. Since private pension payments are calculated in relation to salary, low paid and part-time working (often women) mean lower pensions. In developing countries, a limited safety net is often available to the elderly poor with only large companies and the civil service offering occupational pensions.

11.3 Marx's Contribution

11.3.1 Social Relations of Production and Reproduction

Marx's dis-alienation relates to the whole humanist tradition and not a particular class or age cohort. However, overcoming alienating social forces can only be achieved by working-class power, transforming how the means of production are used—an exercise in democratic planning to meet needs rather than generate profit. The elderly as an industrial reserve army, consumers and as family carers are an

important part of these social relations of both production and consumption. One critique of capitalism is its inability to effectively develop productive forces to meet global social need and with a lack of public services to meet social needs. Jansson (2013) summarises these services as health, education and care (HEC) calling for higher rates of tax to fund job-creating expanded HEC public services, including the more educated workforce needed for RD&D, entrepreneurship and innovation.

Marx's insightful concepts, social relations of production and social relations of reproduction uncover this dialectical relationship between production and reproduction, both necessary for progress. Individual capital ownership prevents the economic and industrial democracy necessary to unleash productive forces and stop negative externalities widening the natural *metabolic rift*: challenge naturalisation of capitalism.

11.3.2 Social Darwinism

Jamieson's quip that it is easier to imagine the end of the Earth than the end of capitalism illustrates how deeply embedded and naturalistic capitalism has become, an important contributor to which is Social Darwinism theory—the deterministic view that as capitalism, social relations have evolved into their best form and should not be changed. Marx and Engels entire worldview (*weltanschauung*) rejected determinism—any force outside of matter (which includes humans) dictating/prescribing happenings. Their materialism celebrated Darwin as confirming the dialectics of nature: as Sheeham (1985) says, that natural and social change progresses by overcoming contradictions. Materialism replaces mind/body dualism in a unified and holistic *weltanschauung* recognising that internal contradictions (Engel's matter-in-motion) prevents equilibrium, draw in interpenetrating forces, creating new (negation of negation) syntheses, superseded in turn as quantitative change becomes qualitative. Mere empirical cumulation of facts (positivism), as Ilyenkov (2008) argues, is inadequately explains change: facts only have meaning when historicised and theorised.

Social Darwinism naturalises capitalism claiming that the rich and powerful represent the survival-of-the-fittest, echoing Nietzsche's (2010; Snelson 2021) view that social policy and morality are an attempt by the weak to control the strong. In the nineteenth century China Social Darwinism was strong (Xiaoxing 2022); Yan Fu (1898) translating Huxley (1863) and Spencer (1875) and advocating for laissez faire economics. As Wang and Ligon (2009) note, influencing some of the 4th May movement, with KMT Social Darwinists, Ruse (1980) and Rejón (2023) argue in support of reactionary nationalism, capitalism and eugenics. Tikhonov (2010) illustrates this in the nineteenth century Korea. Japanese fascists used Social Darwinism to justify their supposed racial superiority (Chung 2014; Tikhonov 2016). In modern times Chiou and Pan (2008) cite survival-of-the-fittest to explain consumer behaviour in Taiwan. Lee's (2019) *America for Americans* shows racism endemic in

the USA culture. Levins and Lewontin (1980) *The Dialectical Biologists* provide the best rebuttal of social Darwinism in science and social policy.

Darwin rejected the survival-of-the-fittest concept. Arguing for random variation, as Hawkins (1997) and Dickens (2000) show, he also denied applying evolution to social affairs. Marx insists dialectical materialism undermines the old dualism between physical and social science, better explaining change processes. The brain is matter, humans are matter, labour creates value by working on matter from our natural heritage.

11.3.3 Welfare and V-Flows

Welfare benefits and public services have diverse goals centred on providing value-flows creating a minimum, universal living standard. USA and UK welfare is not redistributive between classes: since tax systems are regressive, as Piketty (2014) shows, value redistributes from poor to rich: top-1% wealth at 5% of national income in 1979, rising to 15% in 2019. Half of UK welfare spend is on pensions, only 8% to the unemployed. In-work benefits subsidise below subsistence wages (Smith's 2016 super-exploitation), with more UK people in poverty employed than not working. Middle-class taxpayers often get value-for-money by their greater use of public services. Figure 11.2 illustrates lifetime tax-benefits as equalising for working people.

Brown's (2017) argument in *Walled States, Waning Sovereignty* summarises the arguments of right-wing ideologues criticising migrants and refugees for claiming state benefits and using public services to which they have not contributed. In fact, migrants claim fewer benefits than indigenous citizens, work longer years and are more likely to startup businesses, creating jobs. EU supposed equality is exposed when billionaires buy entrepreneurial visas, while refugees drown in the Mediterranean. Rich countries, especially ex-colonialists and those starting wars, have an internationalist obligation to assist refugees yet are met with inwardly looking nationalism and racism: as Israeli Prime Minister Ehud Barak said *us here, them there* or Trump's wall between *civilised and uncivilised nations*. Far from being an expression of state strength, Brown argues walls, blocking flows of refugees indicate moral weakness and lack of self-belief. As global warming rolls inexorably towards disaster, equatorial and low-lying countries will increasingly become unliveable space, increasing climate refugees to millions.

Barker (2018) argues that walled welfare criminalises innocent refugees, exposing them to abuse and extortion and the humiliation of begging for sanctuary. The welfare state, she says, excludes people, while claiming to be inclusive using morally unjustifiable criteria to decide exclusions and repatriations. As Dunbar-Ortiz (2021) proves, the USA is not a nation of immigrants and instead has deported more potential migrants than have been allowed to remain. Social cohesion based on shallow nationalism and questionable morality leave unanswered issues for northern rich countries and for international working-class solidarity.

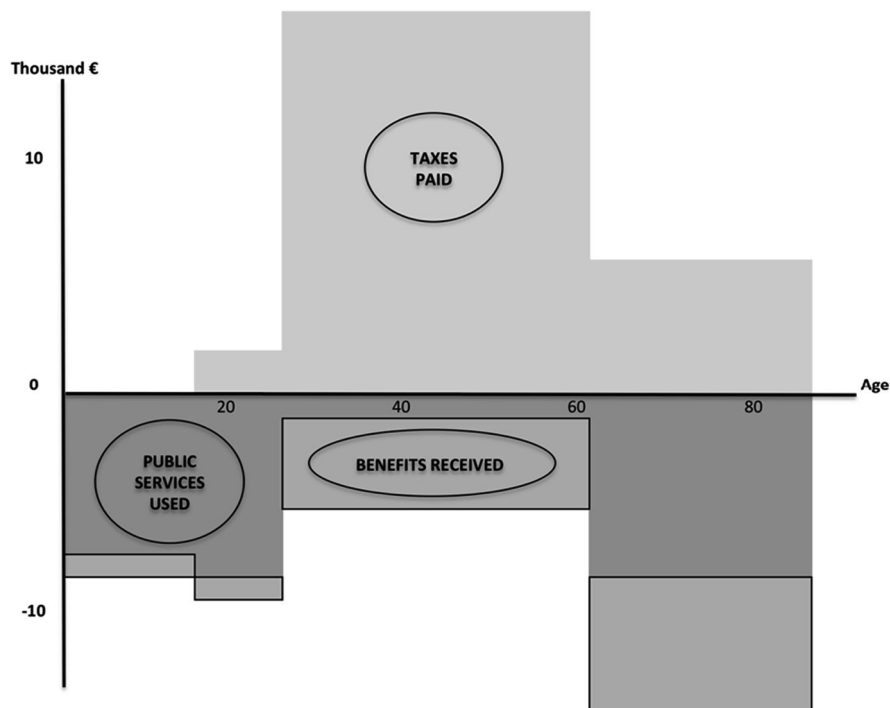


Fig. 11.2 Lifetime input and output from welfare by working-class

11.3.4 Productive Labour-Value Analysis

Marx wrote *Capital* from the viewpoint of capitalist value-flow. His primary concern to scientifically demonstrate the instability of capitalism, which he does using the LTV to unpack commodity production and falling profit rates. His interest in those not employed by capital was as an industrial reserve army of labour, as consumers in social relations of reproduction, and as savers with capitalist institutions. Part of his argument is that some workers employed by capitalists create profit—are productive—and others are not. This is important for TRPF argument. Understanding that productive for Marx is an economic not a moral category is important: since retired workers are not employed, all are no longer productive.

From the viewpoint of capitalism not everyone employed is productive (of profit). Marx goes into detail defining productive labour—not a moral category—but from the viewpoint of value-flow. Most public service workers are non-productive in this sense. V-1:509 *That labourer alone is productive, who produces surplus-value for the capitalist, and who thus works for the self-expansion of capital.* Only labour contributing to the *self-valorisation of capital* (Marx, V-I:644) is productive. This book has argued that non-productive public service workers—not

employed by capitalists—create UVs that solve citizen problems, constituting PV; UVs are useful labour (V-1:42).

Not all labour in for-profit production is productive, the worker spending above SNLT to produce, perhaps because of inefficient organisation or outdated machinery, is non-productive for part of the time. Labour is the source of value, but only labour working at average social productivity, slower labour does not add more value. For the capitalist, productive labour (if the commodities are sold) creates SV, non-productive labour is a UV cost set against revenue (TSV-1:84). V-1:509 criticises Smith's (1776) physicalist confusion arguing that physical goods producers are productive, producers of services not (V-I: 165).

These arguments are important for understanding Capital and are crucial for public services, since, as profit falls, capitalism redoubles its efforts not to fund public services.

11.3.5 *Monetising the Elderly*

Elderly consumption is funded by (a) state benefits and services, (b) family, (c) liquidating assets, and/or (d) continued working. Richer states are currently seeking to force elders to liquidate assets (housing), neoliberals claiming that elders do not want to use rainy-day assets when it rains, i.e., they retire and when needing residential care, do not want to use assets to pay for it. In poorer countries, elders have little choice but to work or live off assets and savings since transfer payments are small. Examples include South Africa, Thailand, Indonesia, Philippines, and India. China stands out as having a high savings ratio (assets) and state payments proportionately at European levels.

Industrial Reserve Army of Labour

In *Capital* V-I: Chapter-25 Marx considers how capitalism makes available in boom times an industrial reserve army of labour (IRA); a *mass of human material ready for exploitation*. These are workers made redundant by technological change and rising organic composition of capital and workers sacked at the bottom of the business cycle when production falls. Later Marxists (Carchedi 1987, 1991) developed the IRA concept to include the longer-term unemployed, women who may choose to remain at home or work, and retired people who can be pulled back into work. Ideology and incentives play a part in labour transferring from non-participation to participation. Public services often provide training, premises, sometime grants when capitalism needs to draw on the IRA. Bourgeois economic policy speaks of *activated* labour markets meaning using benefit system rules, monetary incentives, and initiatives such as training to activate the IRA. Today other 'pull' factors might include offers of part-time working and flexible hours. Some sectors can draw in international labour on a seasonal basis or (for example) as the USA did bringing in

Chinese labour to help build railroads, and then mounting racist attacks on Chinese migrants to forcibly exclude them and Dunbar-Ortiz's (2021) *America for Americans*. Long-term IRA size is effected by birth and death rates. Nicholson's (2011) narrative of women without male partners (killed in the 1914–18 war) shows the IRA at work, women moving into the spaces vacated by men. For capitalism the IRA within and between countries is an essential instrument.

Consuming Old Age

As consumers—the grey-dollar—the elderly in richer countries are now 1.1-billion, projected to double by 2050. This grey market is segmented by young-mid-old old age, levels of activity (half the Harley Davidson motorcycles are bought by over-50 s), and by disposable income. In the UK, 52% of consumer sales are over-60 s, with grey-spending rising by 6% per year for example on leisure, eating out, club memberships and international holidays. Self-perceived age and spending patterns, Tréguer (2018) shows, are often below physical age. E-commerce is growing grey 200% pa, sometimes using voice-services devices as a memory aid, designed into phones and laptops.

Prahalad's (Prahalad and Lieberthal 1998; Prahalad and Hammond 2002; Prahalad and Mashelkar 2010) argument that although with little disposable income, the 4-billion or so global consumers spending under \$2 a day, in aggregate amount to a massive bottom-of-the-pyramid market suitable for frugal products. Collier's (2005) bottom billion thesis—that around 1 billion would-be consumers have become isolated from capitalist market development—receives more applause than action. His argument is that destabilising mass economic (now also environmental) migration has undermined the ability of richer countries to build walls and erect racist migration controls. Grey consumers with disposable income are increasingly important to capitalism as are public sector contracts; as expected, those without money to spend are ignored.

Financial Services

FIRE services (financial, insurance and real estate) are a growing market in preparing for and during old age; currently £278-billion pa, at 12% of GDP. The so-called *independent* financial advisors or wealth managers advise portfolio of savings, equity investment, property purchase and sale and for elite access to exclusive financial instruments. Much of this business is saving for old age by those able to save in equity trading, bonds. Savings in public services pension funds become a major source of capital for financial institutions and capitalist investment.

The over-80 s, the fastest growing segment in rich countries, fear fraud and are wary of online services preferring payment by cash and human interaction (like Chinese culture). This is a problem for supermarkets as online sales increase and the elderly miss human interaction whilst shopping. The rich old-old may have trusted

advisors, make gifts and set will conditions designed to avoid tax, but do not themselves rely on digital financial services. Young elders may also have sensory challenges and to worry about fraud. Other issues include cost or availability of travel insurance, the complexities and cost of equity release from home ownership, and downsizing homes. Power of Attorney can be widely accepted. The poor elderly face problems if banks choose to exclude low-value customers and the reduction in branch banks especially in poorer areas. Public services cuts hit the elderly hard, especially community and care services. Young people saving for old age use financial services for savings and often (home ownership as a capital asset) mortgages.

Financial depth describes the financial sector relative to the economy: the size of banks, other financial institutions, and financial markets in a country, taken together and compared to a measure of economic output, it includes investment banking, and elite wealth management. Ironically, public sector pension funds are a major source of investment capital for capitalism.

Asian countries continue to enjoy high savings ratios (perhaps 30% of income), often invested in property. In poorer countries people may save if they can, most work until they cannot and then rely on family. Financial service often revolves around ‘big men’ holding family capital. Financial service credit is only 10% of GDP in Angola, Cambodia and Yemen, yet 85% in Austria, China and the United Kingdom. Trading financial assets may add profit (from SV created by others) but not value—Lenin’s *coupon clippers*. Equity trading amounts to a more than GDP value in developed countries but only 0.23% in Armenia, Tanzania and Uruguay. As capitalist relations take hold, financial services grow, often aggregating and investing working-class savings in projects minimising the value distributed to workers (Fine 2014). De-mutualising savings institutions and pensions providers opens the door to profit-maximising behaviour and absence of accountability as Kinder and Stenvall (2024) show in the case of Finland and Scotland. Capitalism monetises the elderly IRA, consumers and users of financial services. Ironically part of power of financial institutions arises from savings by working-class.

11.4 Conclusions

Despite the claim by Simone de Beauvoir in *Coming of Age* that 162 social groups have practiced senicide (geronticide) there is no serious ethnographic evidence of the practice, which differs from individual choices around euthanasia (Brogden 2021). Even Engels’ (*Condition*) accusation against the nineteenth-century Manchester capitalism of *social murder* related to conditions for all social groups, though the young and old are always especially vulnerable in poverty. Pousset’s (2023) arguments extrapolate from social conditions, including the vulnerability to Covid from delayed vaccination (most poorer countries) or congregating in hospitals or care homes readily transmitting the virus. A WHO (2023) report notes that 80% of Covid-related deaths were in the over-60 elders and Becker (2002) that older refugees are most at risk of dying. While for capitalism the elderly may be a

burden to be supported by transfer payments and public services, they are also a reserve army of labour, essential to social relations of reproduction, and a monetised group presenting profit-making opportunities. Public services are the most important way of extending quality of life and longevity since private services are available only to the minority with money. *Nothing else in the world ... not all the armies ... is so powerful as an idea whose time has come*—Victor Hugo.

11.4.1 Theory Contribution

For Marxists, capitalism frames old age as burdensome (Philipson and Becker 1982), with the elderly only relevant as part of the IRA, as consumer or savers/pensioners. Instead, we reject bio-determinism and insist that ageing and that with appropriate public services the elderly are a hugely important part of life's tapestry. In ageing, people should have the time and opportunity of taking steps towards disalienating their existence, living a fuller life. Hence, we reject Social Darwinism and neoliberalism's attempt to commodify old age by reducing public services and allowing the market to create and distribute services. Public services need to address the whole person (Kim 2023) including well-being issues such as loneliness, addiction and the gaps left as family and friends pass away. Respect and recognition in all public services is important, especially so for vulnerable people. Autonomy and individuality should be maintained, for example using technologically assisted independent living, with housing mixed into wider society (the opposite of US-gated communities). The productive/non-productive labour issue importantly effects rates of profit and the ability/willingness of because to support public services. Indeed, overall, we argue that social relations of production need to align with social relations of reproduction for economic activity to flourish, with the elderly having important roles in these social processes from caring for children, as an IRA, consumer and savers and hopefully as political activist, part of the memory of the working-class nursing the flames of social progress.

11.4.2 Policy Contribution

Lenin in the early years after 1917 was concerned to lay out policies for pensions and public services as gains of the revolution, knowing that the state of the Soviet economy (wars of intervention, small manufacturing base, ravages of war and imperialist boycott of trade) meant only as the economy grew could the policies be implemented (see Preobrazhensky 1926; Caroli (2003)). Socialist across the world to know this lesson: public services for the elderly possible depend on the size of the social surplus. In rich countries motivation not affordability is the issue. US spending on the Iraq war (US\$ 200-billion) would be sufficient to double the Medicaid budget.

Marx's value approach to ageing shows how contribution in and from society occurs over a lifetime: transfer payments and public services are earned, not charity. Using services for the elderly we note that services are never intangible, ought to be democratically planned not left to managerialists or neoliberalism and cannot be substituted for by coproduction, however well-meaning. Reducing demography to dependency ratio is capitalist thinking, instead of celebrating the public service achievements of rising longevity and quality of life from HEC services. We note that wealth is socially created and ought not be taken as unearned income and instead taxed to benefit society. Part of this benefit is life-long learning and enabling elders to switch career and if enjoying work to continue. Similarly leisure services ought not to be class-ridden in distribution and instead public and available to all, especially encouraging inter-generational activities.

References¹

- Abid MF, Shamim A, Khan Z, Khan I (2022) Value creation or value destruction: Conceptualising the experiential nature of value-in-use. *J Consum Behav* 21:3. <https://doi.org/10.1002/cb.2033>
- Abonyi SE, Onwuka C (2023) Role of recreational activities on the perception of well-being among older adults in Ilorin South Council Area, Kwara State, and its implications for social work in Nigeria. *J Social Work Dev Soc* 5(1):35–52
- American Occupational Therapy Association (APTA) (2014) Occupational therapy practice framework: domain and process. *Am J Occup Ther* 68(1):1–S48
- Australian Government (2023). <https://www.pc.gov.au/research/completed/wealth-transfers/wealth-transfers.pdf>
- Bano N (2024) *Against Landlords – how to solve the housing crisis*. Verso, London
- Barker V (2018) *Nordic nationalism and penal order*. Routledge, London
- Bartels LM (2018) *Unequal democracy*. Princeton University Press, Princeton
- Baumol W (2012) *The cost disease*. Yale University Press, New Haven
- Becker G (2002) Dying away from home: quandaries of migration for elders in two ethnic groups. *J Gerontol Ser B* 57(2):79–95
- Beckert J (2008) *Inherited wealth*. Princeton University Press, New Haven, CT
- Belloni F, Sassi A (2014) Fiscal incentives, behavior change and health promotion: what place in the health-in-all-policies toolkit? *Health Promot Int* 29(1):i103–i112
- Bourquin P, Joyce R, Sturrock D (2021) Inheritances and inequality over the life cycle: what will they mean for younger generations? IFS, Report. <https://ifs.org.uk/publications/inheritances-and-inequality-over-life-cycle-what-will-they-mean-younger-generations>
- Boushey H, DeLong JB, Steinbaum M (eds) (2017) *After piketty: the agenda for economics and inequality*. Harvard University Press, Cambridge, MA
- Bozeman B (2002) Public-value failure: when efficient markets may not do. *Public Adm Rev* 62(2):134–151
- Bransen T, Honingh M (2018) *Definition of coproduction and cocreation, coproduction and cocreation*. Routledge, London

¹ Note: to avoid confusion in the many editions of works by Marx and Engels and Lenin, references are to their collected works published by Lawrence and Wishart, London. Thus, *Capital* is volumes 35, 36 and 37, e.g. MECW-35 for volume-1 of *Capital*. These are all freely available online, e.g. Marx and Engels Archive: <https://www.marxists.org/archive/marx/>

- Brogden M (2021) *Geronticide: killing the elderly*
- Brown W (2017) *Walled states, waning sovereignty*. Zone Books, Brooklyn, NY
- Cantor P, Polakowska M, Roy L (2022) Leisure possibilities of adults experiencing poverty: a community-based participatory study. *Can J Occup Ther* 89:2. <https://doi.org/10.1177/00084174211107326>
- Carchedi G (1987) *Class analysis and social research*. Blackwell, Oxford
- Carchedi G (1991) *Frontiers of political economy*. Verso, London
- Caroli D (2003) Bolshevism, stalinism, and social welfare (1917–1936). *IRSH (Internationaal Instituut voor Sociale Geschiedenis)* 48:27–54. <https://doi.org/10.1017/S0020859002000913>
- Case A, Deaton A (2021) *Deaths of despair and the future of capitalism*. Princeton University Press, Princeton
- Chen A, Oster E, Williams H (2016) Why is infant mortality higher in the United States than in Europe? *Am Econ J Econ Pol* 8(2):89–124
- Chetty R et al (2016) The association between income and life expectancy in the United States, 2001–2014. *JAMA* 315(16):1750–1766. <https://doi.org/10.1001/jama.2016.4226>
- Chiou J-S, Pan L-Y (2008) The impact of social darwinism perception, status anxiety, perceived trust of people, and cultural orientation on consumer ethical beliefs. *J Bus Ethics* 78:487–502
- Chung JJ (2014) Better science and better race? Social darwinism and Chinese eugenics. *Isis* 105(4):793–802
- Collier P (2005) *The bottom billion: why the poorest countries are failing and what we can do about it*. OUP, Oxford
- Culey J, Hodgskiss T, Wurz S, de la Peña P, Val A (2023) Ochre use at Olieboomspoor, South Africa: insights into specular hematite use and collection during the Middle Stone Age. *Archaeol Anthropol Sci* 15(11):173
- Dabla-Norris E et al (2015) *Causes and consequences of income inequality: a global perspective*, IMF Staff Discussion Note
- Dadau AI, McAlliser L (2019) Failure in welfare partnerships. *Public Pol Adm* 34(1):84–103. <https://doi.org/10.1177/0952076717751037>
- Dhurup M et al (2009) An exploratory study of elderly leisure engagements among residents in a contiguous milieu within a regional context. *Afr J Phys Act Health Sci* 15:4
- Dickens P (2000) *Social Darwinism*. Open University Press, Buckingham
- Du Bois WEB 1935 (2019) *Black reconstruction: an essay toward a history of the part which Black Folk played in the attempt. To reconstruct democracy in America 1860–1880*. Free Press, New York
- Dunbar-Ortiz R (2021) *Not a nation of immigrants: settler colonialism, white supremacy, and a history of erasure and exclusion*. Beacon, Boston
- Engen et al (2020) co-destruction, failure to integrate resources: lack of transparency, mistakes in files, queues from lack. *Of Staffing*
- Eriksson E, Williams S, Hellström A (2023) Dis/value in co-production, co-design and co-innovation for individuals, groups and society. *Public Money and Management* 43(1):17–25
- Ermisch J (1990) *Fewer babies, longer lives*. Joseph Rowntree Foundation, York
- Farquhar JD (2014) Selective demarketing: a value destruction approach, Chapter 8. In: Bradley N, Blyth J (eds) *Demarketing*. Routledge, Abingdon, pp 117–137
- Fine B (2014) A note towards an approach towards social reproduction (January). www.iippe.org/wpcontent/uploads/2017/01/sroverviewben.pdf
- Foster JB (2020) *The return of nature: socialism and ecology*. Monthly Review Press, New York
- Gershuny J, Miles I (1983) *The new services economy: the transformation of employment in industrial societies*. Pinter, London
- Goodhart D (2017) *The road to somewhere: the populist revolt and the future of politics*. Hurst and Co, London
- Grönroos C (2017) On value and value creation in service: a management perspective. *J Creat Value* 3L2:125–141

- Hartley J, Parker S, Beashel J (2019) Leading and recognizing public value. *Public Adm* 97(2):264–278
- Hawkins M (1997) *Social darwinism in European and American thought 1860–1945*. The University Press, Cambridge
- Ho JY, Hendi AS (2018) Recent trends in life expectancy across high income countries: retrospective observational study. *BMJ* 362. <https://doi.org/10.1136/bmj.k2562>
- Huxley TH (1863) *Evidence as to man's place in nature*, Norgate
- IFS (2023). <https://ifs.org.uk/publications/who-gives-wealth-transfers-whom-and-when-patterns-giving-and-receiving-lifetime-gifts>
- ILC UK (International Longevity Centre) (2019) <https://ilcuk.org.uk/event-the-future-of-ageing/>
- Ilyenkov EV (2008) *Dialectical logic – essays on its history and theory*. Aakar Books, Delhi
- Jansson JO (2013) *The economics of services – micro-foundations, development and policy*. Edward Elgar, Cheltenham
- Jeong E-H et al (2020) The development of a leisure participation assessment tool for the elderly. *Occup Ther Int* 2020. <https://doi.org/10.1155/2020/9395629>
- Keast R (2021) Engaging Citizens, Clients, and Communities for Policy and Service Delivery, in Hildreth WB, Miller GJ and Lindquist EA (Eds), *Handbook of Public Administration*, (4th Edition), Routledge, London, Chapter-10
- Kim N (2023) Theorizing emotional geographies of later-life care: Agamben, Marx, and Massey in the home. *Soc Sci Human* 7:1. <https://doi.org/10.1016/j.ssaho.2023.100431>
- Kinder T (2010) Social innovation in services: technologically assisted new care models for people with dementia and their usability. *Int J Technol Manag* 51(1):106–120
- Kinder T, Stenvall J (2024) Problem-solving and learning for public services and public management – theory and practice. Springer. <https://doi.org/10.1007/978-3-031-43230-9>
- Klausen J (1998) *War and welfare: Europe and the United States, 1945 to present*. St Martin's Press, New York
- Krastev I, Holmes S (2019) *The light that failed – a reckoning*. Allen Lane, London
- Kuhn M (1979, July–August) Advocacy in this new age. *Aging*, pp 2–5
- Lee E (2019) *America for Americans – a history of xenophobia in the United States*. Basic Books, New York
- Leibenstein H (1966) *Allocative efficiency and X-efficiency*. Oxford University Press, Oxford
- Leitner MJ, Leitner SF (2004) *Leisure in later life*. California State University Press, Chico
- Levins R, Lewotin RC (1980) *Dialectics and reductionism in ecology*. *Synthese* 43:47–78
- Levitsky S, Ziblatt D (2018) *How democracies die: what history reveals about our future*. Viking, London
- Liedtke B, Young SD (2017) How value is destroyed in acquisitions and disposals. *Economics & Finance*. Retrieved from <https://knowledge.insead.edu/blog/insead-blog/how-value-is-destroyed-in-acquisitions-anddisposals-7291#y9PIVA741sv65Lxm.99>
- Luce E (2017) *The retreat of Western liberalism*. Little, Brown
- Mahajan G (2019) Critically exploring value destruction to create more value. *J Creat Value* 5(1):3–10
- McAvoy LH (2018) The leisure preferences, problems and needs of the elderly. *J Leis Res* 11(1):40–47
- Montaigne M (1995) *Montaigne's essays*. Penguin, London
- Nicholson V (2011) *Singled out – how two million women survived without men after world war-I*. Bloomsbury, London
- Nietzsche F (2010) *Beyond good and evil*. Cambridge University Press, Cambridge
- Normann R (2002) *Services management: strategy and management in service business*, 3rd edn. Wiley, Chichester
- Osborne SP (ed) (2010) *The (New) public governance: a suitable case for treatment, the new public governance*. Routledge, London
- Osborne SP, Nasi G, Powell M (2021) *Beyond co-production: value creation and public services*. *Public Admin (Early View)*. doi:<https://doi.org/10.1111/padm.12718>

- Osborne SP, Powell M, Cui M, Strokosch K (2022) Value creation in the public service ecosystem. *Public Adm Rev* 82(4):634–645
- Parasuraman A, Bowen D, Patrício L, Voss CA (1985) Service research priorities in a rapidly changing context. *J Serv Res* 18(2):127–159
- Pateman J, Pateman J (2021) *Public Libraries and Marxism*. Lawrence and Wishart, London
- Pestoff V (2018) *Co-production and public service management: citizenship, governance and public services management*. Routledge, London
- Phillipson C (1982) *Capitalism and the construction of old age*. Macmillan, London
- Phillipson T, Becker GS (1982) Old-age longevity and mortality-contingent claims. *J Polit Econ* 106(3):551–573
- Piketty T (2014) *Capital in the twenty-first century*. Harvard University Press, Cambridge, MA
- Piketty T (2020) *Capital and ideology*. Harvard University Press, Cambridge, MA
- Piketty T, Zucman (2015) Wealth and inheritance in the long run. *Handb Income Distrib* 2:1303–1368
- Pousset R (2023) *Senicide and old age killing*. Springer, Berlin
- Prahalad CK, Hammond A (2002) Serving the world's poor, profitably. *Harvard Business Review*, September, 4–11
- Prahalad CK, Lieberthal K (1998) The end of corporate imperialism. *Harvard Business Review*, August, 109–117
- Prahalad CK, Mashelkar RA (2010) Innovation's Holy Grail. *Harvard Business Review*, July–Aug, 1–10
- Preobrazhensky E 1926 (1965) *The new economics* (2) Clarendon Press, Oxford
- Puspitarini RC, Anggraini I (2019) Trickle-down economics' Arthur Lewis fails: an economic development study of Mount Bromo in Ngadisari Village, Sukapura district, probolinggo regency, East Java. *J Ind Tour Dev Stud* 307(3):131–149
- Rawls A (1971) *A theory of justice*. Oxford University Press, Oxford
- Rejón MR (2023) Two clashing giants: Marxism and Darwinism. *Open Mind*
- Runciman D (2018) *How democracy ends*. Cambridge University Press, Cambridge
- Ruse M (1980) Social darwinism: the two sources. *Q J Concern Br Stud* 12(1):23–36
- Sandel MJ (2020) *The Tyranny of Merit – what's become of the common good?* Allen Lane, London
- Scheidel W (2017) *The Great Leveller: violence and the history of inequality from the stone age to the twenty-first century*. Princeton University Press, Princeton
- Sheeham H (1985) *Marxism and the philosophy of science – a critical history*. Verso, London
- Shostack G (1977) Breaking free from product marketing. *J Mark* 41(2):73–80
- Smith A, 1970 (1776) *The wealth of nations*. Penguin, London
- Smith J (2016) *Imperialism in the twenty-first century – globalisation, super-exploitation and capitalism's final crisis*. Monthly Review Press, New York
- Snelson A (2021) Nietzsche's Strawsonian reversal. *J Nietzsche Stud* 52(2):234–259
- Śniadek J, Zajadacz A (2010) Senior citizens and their leisure behaviour. *Stud Phys Cult Tour* 17:2
- Spencer H (1875) *The study of sociology*. Appleton, New York
- Standing G (2016) *The corruption of capitalism – why rentiers thrive and work does not pay*. Biteback Publishing, London
- Standing G (2017) *The corruption of capitalism – why rentiers thrive and work does not pay*. Biteback Publishing, London
- Su B et al (2006) Leisure life in later years, differences between rural and urban elderly residents. *J Leis Res* 38(3):381–397
- Thane P (ed) (2005) *The long history of old age*. Thames and Hudson, London
- Tikhonov V (2010) *Social Darwinism and nationalism in Korea: the beginnings, 1880s–1910s: survival as an ideology of Korean modernity*. Brill, Leiden
- Tikhonov V (2016) *Social Darwinism as history and reality: “competition” and “the weak” in early twentieth-century Korea*. *Crit Asian Stud* 48(3):315–337. <https://doi.org/10.1080/14672715.2016.1189839>

- Times of India (2023). <https://timesofindia.indiatimes.com/india/more-than-40-of-elderly-in-india-in-poorest-wealth-quintile-un-report/articleshow/103995308.cms?from=mdr#>
- Tirronen A, Stenvall J, Kinder T, Tienhaara P, Rossi P (2018) How to measure wellbeing in outcomes-based commissioning? *Lex Localis* 18(1):123–142
- Tréguer D (2018) Beyond crop per drop: assessing agricultural water productivity and efficiency in a maturing water economy. The World Bank. <https://doi.org/10.1596/978-1-4648-1298-9>
- Vargo SL, Lusch RF (2008) Service-dominant logic: continuing the evolution. *J Acad Mark Sci* 36(1):1–10. <https://doi.org/10.1007/s11747-007-0069-6>
- Wang Q, Ligon JA (2009) The under-pricing of insurance IPOs. *Financ Manag* 38(2):301–322. The council or research in values and philosophy, Chap. 8, available at <http://www.crvp.org/book/Series03/III-10.htm>, accessed 190624
- Weber M (1979/1921) *Economy and society: an outline of interpretive sociology*, vol 2. University of California Press, Berkeley., Chapter XI
- Whalley L (2001) *The ageing brain*. Weidenfeld & Nicholson, London
- WHO (2023). <https://www.who.int/news-room/fact-sheets/detail/youth-violence#:~:text=Youth%20violence%20results%20in%20deaths,can%20lead%20to%20chronic%20diseases>
- Wolf A (2013) *The XX factor: how working women are creating a new society*. Profile Books, London
- Xiaoxing J (2022) The evolution of social Darwinism in China, 1895–1930. *Comp Stud Soc Hist* 64(3):690–721
- Yan F (1898) Tianyan Lun, vol 1, 2–3. Shenshiji Zhai Press, Mianyang
- Young M (1958) *The rise of the meritocracy 1870–2033: an essay on education and society*. Thames and Hudson, London
- Zucman G (2015) Challenges of taxing financial wealth. *Economy* 75

Chapter 12

Marx, Public Services and Young People



Abstract Youth is a period of transition into adulthood conceptualised by capitalism as preparation for work, by socialists as a period of learning and social bonding preparation for contributions making a better world, hence the importance of expansive education and critical thinking as a use-value in education. The chapter takes a socialist perspective on the problems young people face such as finding work that flourishes rather than alienates or exploits with zero-hour or unpaid contracts (the industrial reserve army of labour); services responding to mental illness without *psychiatrisation* of mental health including drugs; finding a home and avoiding homelessness; rejecting incarceration as a response to misdemeanours; and avoiding the violence to which young people are exposed especially those in the care of the state. Youth is analysed as part of class society reliant on public services, rejecting the notion of sub-cultures, for example the prominent role of young people in environmental and anti-racism protests and the intolerance of young women towards exploitation and oppression all highlighting the importance of education and opportunities for consciousness raising amongst young people: persons not human capital.

12.1 Introduction

Transitioning from family care to independence, from student to employee, from youngster to adult, these are scary, uncertain times, as well as moments of joy, hope and anticipation for young people. A range of public services influence this transition from youth to young-adult: schools, universities, perhaps career advisors, labour exchanges or other job-matching services, training opportunities and for those not in work perhaps welfare benefits. These years of transition, perhaps 18 to 24, can be the years of the first exposure to capitalist forces: work or study, study or training, unpaid traineeship now and hope of job later, low pay now for high pay later: youth contact with labour markets can be brutal or for the lucky few, sailing from one privileged position to another. Public services can play an important role in this transition, especially education. Bano (2024) makes the point that many young people have suffered wage freezes, pay high-rents, price rises from inflation,

rising interest rates, Covid, neoliberal public services cutbacks, while watching (in some countries) their elders as home-owners living off relatively high pensions, partly paid for by young people.

Young people are the future builders of our economy and society and yet are often treated badly in the transition to work and adulthood with all the hundreds of accompanying temptations, threats, troubles and opportunities. Class position as always dominates. When Nye Bevan, later the founder of the British National Health Service (NHS), left school at 14 in the Welsh mining village of Ebb Vale, he said he thought of becoming a doctor, or a teacher, or a social worker, but then just *slipped down the pit*, into a coalminer's job. Too many young people do not even have a pit to slip down, or after years of education and ideas come to a dead-end job that reduces self-esteem, self-worth, introducing the harsh capitalist discipline of conform and work or not getting paid. Leaving the warm bosom of the family or comfort and security of school to enter a jungle in which everyone seems to be an enemy: the boss, the landlord, the creditor, public services can help this transition and here we consider their role, successes and failures in both developed and developing countries, for elite classes and working-class youngsters.

12.1.1 *Structure*

This is the second chapter exploring public service issues, in this case for young people and followed by chapters on city-services and healthcare. Reviewing existing research explores labour markets and youth entry; training and education; mental health services; housing and affordable homes; youth homelessness; and how race and gender discrimination impact (along with violence) on young people and how public services can help. Turning to the Marxist perspective we argue that young people are part of the working-class and not a sub-culture, assess the neoliberal attack on public services used by young people, their exposure to mental health problems and violence and young people's involvement in social change, youth movements and the socialist tradition.

Learning Objectives

LO-12.1: Has schooling and training prepared young people for the world of work? Is there a career advisory service, opportunities for training and university, employment service listing jobs, financial help while looking for work, are matching services available—what do they cost, do employers expect young people to work for nothing as unpaid trainees or interns? In short, what public service institutional arrangements support young people in their transition from school to work or into training or higher education?

LO-12.2: Many young people face mental health problems; often depression or anxiety; are public services helping? Is labour market or housing

discrimination part of the problem, if so what can be done? Is it possible for young people to set up their own home or does housing supply or rents cause homelessness? Are public services helping? How are young people falling into crime treated?

LO-12.3: Young people can be used by capitalism as part of the industrial reserve army (IRA) of labour: called into service only when capitalism needs and otherwise left to rot. What can public services do to increase labour demand? How useful are training offers and encouraging employer-based apprenticeships?

12.2 What Do We Know?

For Lenin (1920) the tremendous responsibility of and opportunity for young people is to create the new world, one in which labour brings satisfaction and self-fulfilment. He urged study, especially of communist ethics, and contributing for the benefit of others, e.g., work in vegetable gardens, help village or school, or clean-ups. In capitalism, young people are divided into a privileged elite with social capital connections and working-class youngsters struggling to get a job, hoping to study, dreams clashing against capitalist realities.

12.2.1 *Public Services and the Political Economy of Young People*

Young people evolve into young proletarians, only a diminishing minority following in peasant family footsteps: most young people seek employment from a capitalist and the mixed blessing, Threadgold (2020) points out, of money wages and exploitation at a time when emotions, attitudes, relationships and moral standards are bouncing around. Capitalist youth job markets are regulated, Peck and Theodore (2012) argue, but increasingly against the interests of young people, allowing (for example) lengthy unpaid internships or zero-hours contracts. Arnett (2014) wrongly views young people as *emerging adults*; their social status is intrinsically valuable, not only in relation to what they will become, although immediately to transition into the labour market they become members of the working-class: their dominant identity. Transitions are eased by the socio-economic network of family, though, MacDonald et al. point out that the 2008 crisis made transition into labour markets more difficult even for the middle-class, remains apposite; with unemployment or meaningless work Keep (2012) says a recipe for reducing self-worth. Public services can play a vital role in easing these transitions.

Political economy begins not from the viewpoint of young people but instead capitalist relations of production. It is capital that has the power in labour markets

over labour-power (employed labour) and labour seeking employment. Young people often ‘buy’ employment by accepting wages below the value of the socially necessary labour time (SNLT) to reproduce themselves as a commodity. Marx calls this super-exploitation (see Smith 2016); more so if doubly disadvantaged by gender or race. From the capitalist viewpoint, unless their model is adding quantity of undifferentiated labour, such as long working hours to create absolute SV, their interest is in the relative SV arising from deploying technology and adding productivity. This often requires the skills and experience young people have yet to gain. Notably, when shedding labour, last-in-first-out (LIFO) makes it likely that young people are the first to lose employment. Entry into higher-end jobs, such as professions, based on credentials such as degrees, Adamson and Roper (2019) note, often depends on family social networks (so-called social capital), which discriminates against working-class youth. Indeed, the cost of university education mean that the ‘higher’ status universities and courses can be reserved for young people with family connections or money. Low-quality training at the other end of neoliberal labour markets often seems more about instilling discipline and conformity for tedious retail and hospitality work, rather than developing young people’s skills and talent. Company-based training focuses on company-specific not generalisable skills. With only few exceptions are companies interested in radical thinkers, people with creativity and curiosity—non-compliant people.

From capitalism’s viewpoint, young people are a source of cheap and profitable labour. Although some public services may exist to help transition into the world of work, many young people face a jungle in which they are the object of powerful peoples’ exploitation.

12.2.2 Training and Education

Young age is a time of intense learning of formal and informal knowledge, cognitive, affective, psychomotor control and skills (Garavan et al. 1995). Transitions may be into:

- Training (systematic application of knowledge and skills), often unpaid internships or entry-level pay; gaining knowledge, skills, attitudes through experiences and sometimes credentialled.
- Training can also be entirely company-specific (non-transferable), entrapping people into a narrow range of job opportunities.
- Development: general enhancement of skills and abilities and role performance.
- Education: gaining knowledge, skills, values and understanding enabling broader problem-solving leading to certificates such as university degree.

All capitalist work training, Peters and Besley (2013) argue, is less interested in the talent and the creativity of young people and more concerned to root-out any idea of work as self-liberating and to introduce the discipline of work structures and

processes. The capitalism is employing capabilities in a human form, the less human distinctiveness the better, and this despite the allure of Silicon Valley mind workshops searching for creatives. Talk of a youth sub-culture, such as Amy (2014) refers mainly to social activities, and not as Çağlı (2004) points out their position as young proletarians and need to join collectively to resist exploitation: class position determines what young people must do and how they are rewarded, not sub-culture.

The value flowing to young people can be assisted by public services available, such as training and education or Youth Employment Services, the nature of transitioning into the world of work determines what value-flows from young people into the bank accounts of capitalists.

12.2.3 Mental Health and Public Services for Young People

Young people have a lot to worry about, including their parents' jobs and health in addition to their own and their housing prospects. Counselling is not the answer—as always identifying and resolving the root causes yields sustainable results. The levels of mental illness amongst young people are frightening and would be higher if healthcare services were more widely available—so many tears shed!

Extent of Mental Illness Amongst Young People

For the quarter of the population with some mental health issues, 70% untreated, most problems began before the age of 18, though only 13% of under-19 s have a diagnosed illness. Around a quarter of young women have some form of mental illness (double young males); 10% of young people have a low sense of well-being.

Depression, generalised anxiety disorder (panics, phobias), or compulsive disorder are the mental illnesses most often suffered by young people. Girls are more likely to seek help than boys, only one in eight of whom seek help. Psychotic conditions are highest those living alone and young black men. Autism affects 1.5% men, 5% of 16–24-year-olds have some personality disorder 5% and 2% are bipolar. Attention deficit hyperactivity affects perhaps 10% of young people doing unstructured work, such as students. Eleven in 100,000 young people attempt suicide or systematically self-harm, especially during exams, 90% of these youngsters have some psychic disorder. Most young people internalise mental illness getting no diagnosis or help. Problems multiply for young people struggling with sexual identity, suffering racism or sexual harassment. Worldwide, 300-million young people suffer depression, 23-million schizophrenia and 800,000 are suicidal. One important cause of mental illness amongst young people is having to care for relatives (often sickly parents), without adequate knowledge or resources. Why all this hurt at a time when life should be blossoming?

Political Economy of Youth Mental Ill-Health

The argument here is that it is the alienating pressures from capitalism that cause much of the mental health anguish young people face and that addressing this root cause is needed and not pseudo-scientific diagnoses and medicalisation in the interests of pharmaceutical companies.

The *psychiatrisation* of mental health is largely capitalist ideology, dressed up with scientific labelling, suiting as Davies (2017) concludes, the profits of big pharmaceutical companies. Mental illnesses are a social construction without scientific validation in genetic or biological science, unlike conditions such as dementia for which there is a strong base of neurological evidence with biological symptoms. Like other societies historically, it suits the interests of capitalism to suppress and isolate bothersome people as insane or criminal. In the case of capitalism, mentally-ill people may be called into work in boom times as part of an industrial reserve army of labour using workfare pressures—so-called activate labour markets and in other circumstances using mentally-ill people in sheltered employment. Moncrieff (2022) points out that welfare spending is an overhead cost capitalism (and by enforcement taxpayers) pay to segregate non-productive (deviants) from productive labour. In recent years, neoliberal policies have reduced welfare spending, forcing mentally-ill people (and physically disabled people) into work. Foucault (1975, 1976) makes the case that whilst historically workhouses and asylums were used to lock up deviants, today labelling people as ill legitimises their segregation, coupled with low welfare payments.

This legitimisation is provided by the psychiatry profession: medicalisation being less expensive than institutions and leave open the use of IRA pressures to re-engage mentally-ill people in UV production or paid work. Segregation from other workers (as Laing 1967 argued) itself causes harm in the form of loneliness and loss of self-esteem a serious issue since, for example, some 17% of the UK population are currently on anti-depressants. The UK NHS strategies (2024), for example, accepts mental illness categories and treatments for young people, including school children (for attention deficit) and universities.

In the main, people categorised with depression and anxiety simply cannot cope with the competitive pressures of capitalism; it is the system of work and alienation that is the problem not young peoples' rejection of it and inability to cope. To repeat: it is an ideology not biological science to claim that depression is the result of serotonin deficiency requiring treatment by fluoxetine, paroxetine or similar. Young people unable to cope with capitalism's pressures do not need drugs, they need a more welcoming workplace without the alienation capitalism brings. Given the confusion around terminology, Fig. 12.1 summarises the use of terms here.

Psychiatry Explanations of Mental Ill-Health

There is no biological or physiological (material) proven linkage between mental illness and bodily function, as Deacon and McKay (2015) show. Classifications of mental illness are a social construction, done to and not for, the interests of those

Emotion	A reactive feeling towards a specific object or person. Signals self-perception	Intense, temporary loss of control Example: <i>being happy</i>	Short-lasting Biases behaviour	More intense than mood, more often displayed. Cause (awareness) known, unlike mood
Feeling	Cognitive interpretation of sensations	Feeling about something Example: wellbeing	Longer lasting	Unlike emotion or mood, cognition intervenes
Mood	General uncontrolled response to situation and sensations less specifically related to a stimulus. Signals perception of world	Less intense than mood Example: <i>dark night syndrome</i>	Long lasting Biases cognition	Longer lasting than emotion, less intense Emotions public, mood private; cause unknown, unlike emotion
Trait	Character predisposition	Example: optimist or pessimist or bipolar, depression	Longer term can be disorder	Long-lasting, requires conscious effort to counter
Attitude	Constructed affective and cognitive evaluation or interpretation. Influenced by social context	Values and beliefs influencing cognitions, emotions and behaviour (Rosenberg <i>et al</i> 1960)	Long term, based on experience	Includes emotions; the result of emotion and cognition interaction interpretation social setting.
Well-being	Group or individual, physical vitality, mental alacrity, social satisfaction, a sense of accomplishment, and personal fulfilment (Naci and Ioannidis 2018)	Feeling i.e. emotional-cognitive Readiness to act in certain way (Jung) Efficacy Learned	Long-term feeling (cognitive and emotional) of contentment, control, trust in relationships	Can be controlled, measured, altered and managed

Fig. 12.1 Emotional states

suffering. Studies, including Schwab (1979) show the strongest correlate for mental illness is class position: alienation from social relationships, from our own labour and from natural heritage. Brecht complains in the *Three Penny Opera*, that doctors examine our bodies, when they could just tell by looking at the poverty in the clothing.

Ryff et al. (2004) are critical of using Rogers' (1956, 1969) concept of the *fully functioning person* and Maslow's self-actualisation as metrics for psychological health and personal functioning. Carl Rogers believed that psychological disorders are caused by reflections of a distorted actualising tendency. Self-actualising is to fulfil one's potential; to be the greatest human being a person can be.

This then is bourgeois psychology on youth mental health, we return to the subject for a Marxist perspective below.

12.2.4 Housing as a Public Service for Young People

Young People and Affordable Homes

For young people there is a housing crisis. Earlier generations enjoyed choice of tenure (ownership or renting), rising house prices confine today's young people, unless rich, to the rented tenure, with rising rents, rent-debt and eviction rates. Moving from the parental home is not simply a matter of housing costs; cultural

preferences play a part along with individual and family circumstances. For many young people independent living is part of the transition into adulthood, often being associated with marriage or partners choosing to cohabit. Securing housing can be complicated by also chasing employment, often with only either the job or the home being available in one place. Reluctant continued sharing the parent home is increasingly forced upon young people: Italy is an example.

Low interest rates encouraged buy-to-let in developed countries (and for example China where property purchasing is culturally a savings preference). Raised interest rates, mean raising rents, often changing tenants to those able to pay the higher rate. Rising house prices make savings for a mortgage/bank loan deposit (10% may be required) difficult for young people on low wages facing house prices rising faster than wages (Corlett and Odamtten 2022).

In many European countries social housing offered starter homes for young people, benefiting from below market price rents and therefore able to save to buy their own home. Sadly, privatisation of social housing stocks has reduced this option, and most of the sold stock is now in the pricey private rented market. Combinations of Government policy and costs mean little is now invested in social housing, often limited to 3S organisations, and specialised for, e.g., disabled people or single parents. As people move into cities, they find a housing market over-priced and power in landlord hands. For example, in Iceland, Ireland and Estonia rents have risen 30% above the rate of inflation. This is less the case in more regulated housing markets such as Germany, Switzerland and Austria where over 50% of young people can still find accommodation to rent. However, in the UK and USA rents have rocketed. In countries where culturally, perhaps 75% of young people remain in the parental home until marriage (Lithuania, Spain, Italy, Korea and Greece) there is less housing shortage. Young people in Sweden typically move into independent living at 20, in Italy the average age is 30.

As Filandri and Olagnero (2016) found these choices are different for the rich class many of whom buy the first home for children or contribute financially. Poorer young people may share with friends (or strangers), living in student accommodation, if studying. Lower paid young workers, often in precarious employment, and without a credit history, find getting a home loan/mortgage difficult where a deposit is required. Overall, the housing market puts independence out of reach for many working-class young people, the market like many others being segmented by class.

Youth Homelessness

The EU suggests that some 25% of young Europeans are living in over-crowded accommodation, especially acute in Romania, Belgium and Latvia. Even more problematic are the number of homeless people. In Scotland 15,000 people live in homeless shelters, designed as minimum level to discourage long-term occupancy. One million British people are on the every-expanding waiting lists for social housing. While Main (2008) views homelessness in terms of the housing market structure and limited supply, Baum and Burnes (1993) alternatively argue that about a

third of homeless people are mentally-ill, which may be both a cause and result of being homeless. Mejia-Lancheros (2020) homelessness study in Toronto found about half the homeless turn to drugs or drink to cope. Tischler's (2006) UK study found 94,000 families affected by homelessness, a three-quarters with young children.

Homelessness amongst young people is the result of structural (too few housing units) and personal/social factors (Christian 2003). Routes into homelessness for young people include escaping violence (Anooshian 2005; Kumar et al. 2005), not coping because of mental illness (Tischler 2002), money troubles (Gaubatz 2001), drug or alcohol dependency rupturing social relationships and being taken as children into homelessness (Woods 2006). Each story is different and yet each story the same chain of personal tragedy.

Especially relevant for young people is the connection between homelessness or inadequate accommodation and fertility. Crowley and Jacobs (2003) find that raising rents delays fertility; Mulder (2013) shows that leaving the parental home, even into sub-standard housing, delays fertility find that increased rents lowers fertility. Öst and Wilhelmsson (2019) model fertility and inadequate housing geocoding data to separate out variables concluding that inadequate house is a major cause of delayed or absent fertility and important conclusion for Government concerned at population loss, for example Japan and Italy's population are predicted to halve by 2100.

Housing First: Finland

Finland's *Housing First* policy has almost eliminated rough sleeping and reduced homelessness to almost zero. Housing First as HyÖtyläinen (2022) notes, all homeless entitled to *own front door* same day, no conditions. They have the stock (Pleace et al. 2016), some purpose-built, such as *Blue Ribbon* in Helsinki where *virtually eliminated rough sleeping* by the 3500 housing units available in the city. Allocation and contract are followed up by hands-on sort out problems, which may include drug or alcohol addiction. Housing First costs: Finland has spent €250 m creating new homes and hiring 300 extra support workers. Studies show net savings from emergency healthcare, social services and the justice system of 15,000 € a year for every homeless person in properly supported housing (Atherton and Nicholls 2008; Benjaminsen 2013). Homelessness is rising across EU using a failed staircase method. USA homelessness is chronic. In Finland homelessness is almost non-existent.

Young people everywhere face a housing crisis the structural part of which often relates to local Councils being unable to provide sufficient housing. Socially and personally, the housing crisis and homelessness are often caused by and in turn cause mental illness, debt, joblessness, violence—the catalogue of sicknesses capitalism brings.

12.2.5 Racism and Gender Discrimination

Young people are especially exposed to racism and patriarchal discrimination because they occupy a vulnerable status in labour markets and social hierarchies. Chapters 15 and 16 discuss race and gender. Here we note, how exposed young people are and how discrimination in the early stages of life can compound into complex problems later in life.

12.2.6 Violence

Media often report luridly gang and youth violence. However, young people are more likely to be the victims of violence than the perpetrators, this includes violence in the home, from the forces of law and order, and in institutions mixed with adults. Violence here includes physical, sexual and mental harm. Children in developing countries reported abuse, at times by adults: 42% of boys and 37% of girls.

The WHO (2023) reports that 176,000 murders are committed amongst young people each year with untold others suffering injuries, some life-changing. Mostly these are from an intimate person including 12% of young people suffering sexual violence, or Hague and Mullender (2006) witnessed inter-parental violence.

McDonald et al. (2000) found abuse against young people may be inside or outside the home with about half the children of abused women saying they (the child) had been abused at least once a year. Generalising any such results is difficult, especially across cultures, however, Connolly et al.'s (2006) conclusion that witnessing abuse is itself abuse is convincing, mostly being male against female and in the home. Alarming, McGee (2000) found that of 71% witnesses to abuse, 10% of children had witnessed rape. Appel and Holden (1998) found that in 40% of cases if the mother is abused so too is the child. While abuse reduces parenting ability, Bell (2003) found many children blaming the mother for not separating from the abuser, perhaps unaware of financial dependence. Fathers across cultures are more likely to resort to aggressive child-rearing such as slapping children, sometimes distorting normal child development. School-age young people tend to hide abuse at home from others, though it may make them more aggressive in relations with peers. Factors influencing outcomes for children witnessing abuse are often shown in boys' external behaviour which the girls internalise (McIntosh 2003).

There is a class basis to abuse suffered by young people in the home and it connects to poverty, unemployment, low educational achievement and alcohol misuse. Buckner (2004) finds that poorer families are more likely to face abuse, with perhaps a third of families that struggle to meet bills suffering abuse. For Levendosky et al. (2000) family poverty is the most significant correlate with abuse, also correlating to low educational achievement and sadly unemployment and alcohol misuse all correlate with family abuse of young people.

More extreme forms of abusing young people include child soldiers, survival in war-zones, refugee camps and the dangers of trafficking. Overall what we know

about young people is that in capitalist society and economy they are exposed to terrible dangers, many of which better public services could help mitigate and socialist change can eradicate.

12.2.7 *Prison, Incarceration and Young Offenders*

Some young people break the law; laws vary between countries; some countries imprison large numbers of young people for behaviour that would be treated with social support in other countries.

On any day, 60,000 under-18 s are imprisoned in the USA, many Davis (2011a) says, are *status offenders* meaning consensual sexual acts, truancy from school, smoking cigarettes, curfew violations, drinking alcohol, running away from home, chronic disobedience of parents, and ungovernability. Some like Little-B in Brown's (2002) story are just in the wrong place at the wrong time, being the wrong colour. Blacks are 5% of the USA population, but 25% of prisoners—for Davis (2011)—who spent a year in jail before being acquitted—a racism issue what Du Bois (1935) calls *abolition democracy*. Juvenile detention or adult prison exposes young people to peer and staff violence. A third of re-trial who cannot afford bail, 30% were homeless before imprisonment and 80% homeless afterwards. Re-offending rates are high and educational attainment low. Gilmore (2007) Golden Gulag, big business, incarceration rate kept high by zero tolerance and other pro-incarceration policies. UK 61% in prison non-violent crimes; 38% < 6-months.

Finland has few non-violent people imprisoned, many Swedish policy-makers favour abolition arguing that decarceration recognises social problems require social solutions. Gilmore (2007) Restorative justice fashionable but individualises problem. Restorative justice is to try and restore relationships to how they were prior to a harm being done. Transformative justice, the purpose is to try and transform communities so that the harm cannot happen again. The present criminal (in) justice systems focus on someone to punish, caring little about the criminal's need or the victim's loss. The abolitionist response seeks to restore both the criminal and the victim to full humanity, to lives of integrity and dignity in the community.

12.3 What Does Marx Contribute?

For Marx, social problems require social solutions: social medicine and non-custodial punishment/remediation being superior responses than prison or medicalisation. Labour reproduces capital by being exploited and reproduces labour in social relations of reproduction interweaving class with age, race and gender; intersectionality that constitutes life-as-lived—dialectics in practice—the *unity of the diverse* (Marx *Grundrisse*: 101). Young people are an essential part of these value-flows: the next generation of labour, hopefully in future not producing EV for capitalists and

instead UVs in a socialist society deploying their knowledge and creativity to satisfy social need. To the individual capitalist all this is irrelevant as they maximise exploited profit and minimise payment to young workers without a thought for the long-term advancement of society. Ferguson (2017) notes, young people join and reproduce capitalist relations because they have no other choice than to work for money, engaging in the learning that reproduces the cycle of capitalist exploitation.

12.3.1 *Sub-cultures and Class*

Marx's youngest daughter, Eleanor or Tussy, launched her long socialist career support women strikers at Silvertown in London's West Ham, striking for equal pay, without the support of a male dominated trade union. As Brecht said, *Aszew you know, it is alright to treat barbarians, barbarically. Food is the first thing, morals follow on.* The Silvertown women fought heroically for over a year and then lost. Tussy said, *... the same sun that never set on the Empire, never rose in the dark alleys of the East End* (see Tully 2014). Tussy dedicated her life to socialist struggle, ending her own life at 43 with her lover, because she feared becoming a burden on others.

Youth are the forefront of ideas challenging capitalist hegemonies being sensitised to progressive ideas against wars, for lifestyle choices, being early adopters of new technologies and modes of artistic expression. Marx's *unity of the diverse* always comes calling, objective class forces take hold, Çağlı's (2004) point: despite emotional and subjective commitment to sub-cultures, class remains the dominant force governing social relationships. Discussion below on socio-political movements (Sect. 12.3.4) concludes that protests make little lasting change in capitalism social relations. Hence the importance of sub-cultural challenges to capitalism linking with the big battalions of labour: trade unions, socialist parties with leaders focused on long-term change in class relations. Crudely arguing everything is class is not the answer to social change. Many non-political or nationalistic organisations (think of the 40-million Scouts in nearly 200 countries) help create skills, loyalty, team-working, tenacity—all useful in later life as a proletarian fighting for change. Young people have energy, new ideas, new ways of organising and showing solidarity. Just as new technologies and ways-of-working improve capitalist productivity, so too the ideas young people bring from sub-cultures into working-class struggle can improve our impact, reach out deeper and wider.

12.3.2 *Neoliberal Political Economy of Youth*

Section 12.2.1 underlined how vulnerable young proletarians are to the power of capital enforcing (for example) no-pay, low-pay, poor training: super-exploitation paying below the cost of social reproduction, inhibiting young people from independent living or marriage.

Standing's precariat (2009, 2011, 2014)—Marx's industrial reserve army (IRA) is a richer more theoretical concept, paints a pessimistic picture of large sections of the working-class outside of formal employment and labour organisations, who periodically protest against wages and conditions to no avail. This regurgitates Gorz's (2001) *Farwell to the Working Class*. What Standing presents as new simply repeats Marx and Engels' idea of an industrial reserve army of labour, periodically called into labour by capitalism, otherwise condemned to insecure work and employment with fragile links to organised labour.

Marx in the *German Ideology* (MECW:V-5) differentiates class *in-itself* (objective status as employed and exploited proletarians) and class *for-itself*—sufficient class consciousness to resist capitalism. Standing interprets his precariat as doom-ing labour to subservience, citing Polanyi (1958) as another *Great Transformation* and suggesting precarious labour is prone to supporting right-wing populists. Yet Sennett (1998, 2003) notes the erosion of professional and craft self-esteem and mutual respect (Hegel's recognition), resulting from Fordist (lifetime jobs) to neo-liberal deregulated labour markets: unlike Standing, Sennett's conclusions are for a more optimistic class unity.

In *Capital* (V-I:789) Marx notes that capitalism displaces labour by capital (automation) reducing numbers employed (and the source of labour-value) creating (V-I:795) an industrial reserve army of labour, called into employment when capitalism enjoys a period of expansion. Braverman (1974:29) provides a good exposition of the IRA. Marx's thesis is that technological unemployment and the IRA helps capitalist force down wages, resulting in immiseration—falling middle and working-class living standards. His immiseration thesis is supported by Fracchia (2008), Milanovic (1998) and Hill (2013), including Bauman and Lyon's (2013) take on rising inequality: that the rich grow richer *because* the poor grow poorer.

Internationally, Smith (2016) shows how global value chains press supplying company wages down and even when indigenous companies gain contracts; they too must immiserate to stay contracted. Whole industries, such as palm oil (Haiven 2022), suffer this globalisation. Japanese lean producers were amongst the first to structure supply chains to maximise value-flows upwards towards the major monopolies as Kinder (2003) noted.

Young workers are likely to be amongst the first to accept radical ideas showing the vitality longer-term struggle requires. We have no need to invent a new theory of precariat, Marx and Marxist already have a richer theorisation of rising OCOC, IRA and class consciousness without the pessimistic baggage Standing and Gorz bring. The task of socialists is to connect youth with organised labour.

12.3.3 Marxist Explanations of Mental Ill-Health Amongst Young People

Rogers (1956), a non-Marxist, usefully approaches mental illness from the view-point of dilemmas causing trauma. Ratner and Silva (2019) is a Marxist practicing psychiatrist in the USA who regards alienation as the root cause of most mental

illness. His therapy guides individuals to see the social dimensions of their alienation thereby overcoming individual guilt. Just as in Vygotsky's learning theory and love (Chap. 18), it is a mistake to think that Marxism is only relevant at a collective level, when it has much to say about personal relations and the misery capitalism causes.

Medicalisation of mental illness encourages unrestrained commodification—pharmaceutical sales. Marx's theory of alienation uniquely analyses psychological health, recognising how capitalist oppression, mangles peoples' lives and self-esteem.

Marxists reject Freudian (including Fromm 2009) introspective explanations of mental illness as (a) ignoring the social world individual exist in and (b) reducing emotional states to sexual repression—idealist and nonsense. We also reject behavioural explanations and the cognitive behavioural therapy it recommends as cures for similarly ignoring social circumstances dangerous (Peris et al. 2015). Like Carl Rogers (1956) we see mental illness as caused by conflict between the actual and potential, the dilemmas facing young people struggling with conformity while yearning to be the person they want to become. For Marxists, the key concept here is the alienated person and the key tools are those developed by someone familiar to readers of this book: Lev Vygotsky the Russian pedagogical psychologist and philosopher and ideas on alienation and mental illness developed based on his work by his colleagues Lauria (1971) and Leontiev (1978) and later Ollman (1976) Lethbridge (1986) and Ratner and Silva (2019).

Leontiev dismisses bio-reductionism now represented by Dennett (1992), Freudian a-social introspection, and the simplistic stimulus-response behaviourist approach extrapolated from Pavlov's dogs. He traces psychology back to Marx's insistence that cognitive processes (that always feature emotions, Levykh 2008) are rooted in the materialist world of practice, with sensemaking mediated by language and social norms *morés*; consciousness the result of life-as-lived materially creating/created by the material world and not in-the-head. As we pass from childhood, we embed into our cognitive processes the metaphors, language, frameworks and sensemaking ways found in our context and culture. *'The eye'*, says Marx, *'became a human eye precisely when its object became a social, human object, made by man for man. For this reason the feelings directly in their working became theorists'*. And further, *'The education of the five external senses—this is the work of all the history of the world that has passed to this time'*. Human cognition is a product of social-historical development derived from human activity, of which we are part. Disputing phenomenologists, we cannot stand outside (a God's eye view) and observe something of which we are part. Our brain is biologically part of matter-in-motion, but not reducible to it. Marx says in the German Ideology, *The production of ideas, originally was directly incorporated into material activity and into material contacts of people in the language of real life.*

Psychiatrists treat mental illness symptoms with a range of drugs targeting depression, anxiety, obsessive-compulsive, PTSD, bipolar, premenstrual dysphoric disorder, attention deficit hyperactivity. In the UK, between 15% and 19% of young people are on medication, as are up to 70% of children in care.

Ratner and Silva's (2019) practical work as psychiatrists in the USA rejects bio-determinism, such as the belief that depression is caused by depleted serotonin in the brain and can be cured by Prozac. He instead starts from the viewpoint that even extreme psychoses are caused by ruptures to our lives and how altering activity and social structures eases pain and abates hurt. He brings patients (2019a/b/c) to understanding that their frustrations and inability to cope are the result of oppressive social forces not the fault of the victim. Instead of drugs a programme of social learning can eradicate the dilemmas, overcome guilt and assuage fears. Articulating the reframed problem in language supportive of the victim.

Alienation, including age, race and gender oppression are the cause of mental illness, no proof exists of biological causation rather than social processes causing mental illness in young people. Ending capitalist alienation is the best way to reduce the misery of mental illness. As Lethbridge (1986) concluded idealisms do not explain MH, he cites Maslow's hierarchy of self-actualisation. MH has material and social roots.

Ground-breaking work of Almalki et al. (2016), Marxist psychiatrists, using self-quantification, (subject-object data) sensemaking in an alienation framework questions what can I change, campaign to change, needs to change? Data generated by Fitbit, Apple watch or Humai used to deeply reflect on interactions using six constructs. Similarly, Gormley et al. (2020) draw those with MH away from medicalisation towards germ-cell, dialectical understanding of their social roles.

Cohen (2016) calls for a fundamental rethink on MH diagnostics and services arguing youth that mental illness arises from alienating work processes suppressing creativity. Young women and race minorities are especially exposed. MH as presented as an ideology, socially constructed illness, disguising the root-cause problems in capitalist labour and consumer processes. Young proletarians illnesses, such as depression and anxieties are real enough, their causes often being material worries such as housing, discrimination, debt. Addressing these material concerns, coupled to love and nurturing by family and friends rather than drugs is appropriate treatment.

12.3.4 *Youth and Social Change*

Housing, training, violence, mental health need serious social change to identify germ-cell and exact fundamental change. Social change is not in-the-head (Chap. 5) it is material. Goals, ends and means are important all have a materialist base.

Movement and Party

It is worth pausing consider, from a socialist perspective the differences between a political party and a social movement. For Lenin the communist party is a vanguard, *the most advanced and resolute section of the working-class parties of every*

country; that section which pushes forward all others. His debate with Luxemburg was largely about context: he was in repressive Russia, while she was organising a party in liberal democratic Germany. He is emphasising agitation (many ideas to few people) Luxemburg propaganda (few ideas many people) seeking leadership of working-class organisations, especially trade unions. In liberal democracy today, Luxemburg's ideas (without some of the voluntarism) are most relevant.

Political movements differ from political parties—the party seeks state power and the movement social change, often around one issue. Individuals self-select movement membership, parties may have a candidature system. While the movement looks to spontaneous outpouring of public support, the party has a clearer idea of the constituency it seeks to mobilise. Even in liberal democracies socialist parties need to replace dictatorship of the bourgeoisie with proletarian dictatorship to fend off the anti-democratic reaction to socialist policies seen in Finland (1918), Hungary (1918), Germany (1919), Italy (1921), Spain (1936), Chile (1971), Argentina (1976) and the 1961 assassination of Patrice Lumumba.

Youth Movements

Rosa Parks in 1955 instigated the civil rights supporters' Montgomery bus boycott when she refused to move from a 'whites only' seat and was arrested. The boycott and a court case (heard by justices from out of the district) were successful. Sadly, Alabama continues to elect white nationalists.

Youth movements often occur spontaneously or join other movements. Historically some youth movements while influential have dissipated, not having party organisation, a clear programme and resolute leadership. Braungart and Braungart (2001) point to the 1820s *Young Europe* generation opposing monarchy restoration. Uba and Bosi's (2022) study of youth movements in nine EU countries argues that radical or intense involvement is at the extreme of society, with those in the middle nonparticipating, they focus on Islamic radicals, by which they mean terror activists or supporters. Mieriņa (2018) offers a better social analysis of radical movements, pointing out that participation is likely to occur because of economic position rather than degree of education and that (disputed) women are more likely to go left and men to the right. Campaigns such as anti-Vietnam war can claim success, shifting the Democratic Party. The 1990 Scottish campaign against a regressive Poll Tax was successful.

The 1960s USA civil rights movement is often cited as a success. It included school children and students and young working-class blacks in marches, sit-downs, voter registration and meetings, including a march on Washington to hear Martin Luther King's *I have a dream speech*; after which he was assassinated. Some brave white anti-racists were even disowned by their families for supporting equal rights for blacks. However, the organisation was loose, and its achievement limited. One civil rights worker said, *We Had Sneakers, They Had Guns* referring to the killing of four unarmed Ohio State University students in 1970 by the National Guard and injuring nine others. While Johnson's big society legislation de-segregating public

services was welcomed, the USA remains a society divided by race, leading some Robinson (1983), Davis (2016) to refer to *racial capitalism*. The Black Panther Party for a time made important inroads into (especially Brown 2002) democracy but (Brown 2021) descended into crime. US racism is too deep to be fundamentally altered by movements, even as passionate as BLM. Change requires a party leading change in material class relations.

USA society remains scarred by slavery and continued discrimination against black people. ‘Racial capitalism’ is a difficult concept for those outside the USA. Burden-Stelly (2020) defines it as *racially hierarchical political economy constituting war and militarism, imperialist accumulation, expropriation by domination and labour super-exploitation*. Chapter 15 discusses racism. Young blacks in the USA face multiple barriers as they try to enter work, suffering 44% unemployment in the world’s richest country.

The ANC story differs. There a party did gain power; however, their limited programme was further compromised by agreeing a neoliberal economic agenda with white nationalists; the ANC did not fundamentally smash and democratise the apartheid state and SA remains a capitalist state, bedevilled by racism and poverty.

Current youth movements share the absence of party organisation, firm leadership and programme that includes taking state power.

Proponents of Zionism try to argue that any criticism of Israel’s activities is racist. This is obvious nonsense. It is perfectly possible to critique particular activities, or the borders claimed by a state without being racist towards an ethnic group. Antisemitism, like all racism should be called out, its roots exposed, and racism challenged.

- Radical Islamic young people cannot be equated with terrorists; instead, they are activated by opposition to the series of western wars against Islamic countries (Croatia, Libya, Syria, Lebanon, Palestine, Afghanistan), Guantanamo prison conditions or simply the tensions of being caught between cultures (modernisation without westernisation is the Saudi mantra) and the failure of multicultural policies to integrate young Muslims. The staircase (deterministic) model of progression from radical to terrorist only makes integration more difficult. Kundani (2014:35) concluded, *what governments call extremism is to a large degree a product of their own wars*. Barriers to accessing democratic processes only draws radicals away from democracy, as does (in the case of Palestine) equating critique of Zionism with antisemitism. What Lynch and Graham-Bermann (2013) calls *disenfranchised youth* frustration of belonging to movements unable to secure progress.
- The Occupy movement advocating greater democracy and equality has only a vague programme (*we are the 99%*), without party organisation. They occupy stores and banks highlighting their profits and inequality. The Arab Spring and *Los Indignados* are similar.
- Green movements have moved environmental issues up the public and Governmental agenda, however, the effect is limited as CP promises are simply ignored by Governments in practice, such as resources supporting the greening of developing states. Opinion leaders, such as Greta Thunberg (2019), however

dramatic (e.g. *Nobody is Too Small to Make a Difference* and sailing the Atlantic to avoid aircraft pollution), follow Marx and Liebig's policy of *follow the science*.

- Young people have been at the heart of the international BLM movement, following the murder by police of George Floyd in Minneapolis by white policeman Derek Chauvin. Previous the USA adopted BWC seeking to reduce racist violence. This decentralised movement has successfully pushed racism up the public's agenda, including innovative use of social media. How lasting or deep its achievement remains to be seen.
- Movements supported by young people in particular countries, such as the Zoomers in Thailand protesting. The banning of the youth-oriented Future Forward party does have a clear objective and might have been successful had not Covid intervened. However, even after a leading figure was assassinated (Wanchalerm Satsaksit), Future Forward remains banned.

As the failure of vanguard parties in Europe and their success in Asia has demonstrated, the organisational strategy socialists adopt cannot fit a prescribed model of the sort Stalinist sought to impose using the Communist International, and instead organisation should reflect strategy, context, and culture—the central lesson drawn by Rosa Luxemburg and Paul Levi from the German experience (see Sect. 4.3.4).

12.3.5 *Young People and Socialist Transition*

Since the early days of the Third International, few genuine international socialist associations of young people have existed. For example, the International Union of Socialist Youth is an information exchange, the African Socialist Youth Movement largely a Facebook site and the USA Socialist Youth League (spun out of the Worker's Party), a shadow of its former self. Youth sections of the third International were suppressed, largely for not complying with the third-period social-fascist period refused to stop fascism by creating United Fronts. It was not always this way.

As Russia fell apart during the 1914–18 war, Lenin (*State and Revolution*) was preparing the Bolshevik party and progressive workers for power. V-23 Youth International, 1916 (published 17 and 18)

Frequently the middle aged and the aged do not know how to approach the youth in the proper way; for, necessarily, the youth must come to socialism in a different way, by other paths, in other forms, under other circumstances than their fathers. Incidentally, this is why we must be decidedly in favour of the organisational independence of the Youth League, not only because the opportunists fear this independence, but because of the very nature of the case; for unless they have complete independence the youth will be unable either to train good socialists from their midst, or to prepare themselves to lead socialism forward. We stand for complete independence of the Youth League, but also for complete freedom for comradely criticism of their errors. We must not flatter the youth.

Young people in China are enjoying quite different experiences in a worker's state driving towards abundance. From the 4th of May movement of 1919 demanding an open democratic society, Chinese youth gained the self-confidence shown in

its literature and artistic expressions. The thirteen delegates to the 1921 founding meeting of the CPC were average age twenty-eight. Following the SH massacre and beginning of the Long March in 1926, spreading socialism amongst peasants and encircling cities, young people played a leading role. [story youth Long March]. From 1919–1949 liberating the country from the KMT supporters of colonialism and the Japanese occupation leading to China in 1949 standing up and beginning its socialist journey, now encapsulated in Xi Jinping’s Chinese dream: the goal of a high-income society by 2049, including carbon neutrality. This then is a story of party leadership with a socialist programme. China’s capitalism is simply wrong; misunderstanding SWCC. Lenin’s *Left-Wing Communism: An Infantile Disorder*, etc. Materialist programme. Youth is central. Hard school, universities: absolute poverty ended, 95.4% of young people completing education, 57.8% attending higher education. China’s YCLC (14–28 (candidature) into 900,000??) is flourishing. For example, the Young Volunteers spending time practically helping in less developed provinces, Project Hope organising university students helping Primary Schools in deprived areas and the 1.7 million YCLC volunteers who helped make the 2008 Olympics successful. The 2022, *State Council Youth of China in the New Era*, expounds the role of young people in national rejuvenations and material progress. For example, a long-term Youth Development Plan aimed at ensuring jobs and homes for all, planned and not left to the chance of the market. SWCC planning. Excitement, commitment. The Young Marxists Training Project. So, there are still challenges, but where would you rather be a young person? Party, leadership and organisation.

While social movements can influence opinion and may at times exercise influence, only a party, with a platform for progress can consistently and coherently over time offer an alternative society.

12.4 Conclusions and Marxist Contribution

Transitioning into adulthood and paid work means crossing the bridge connecting reproduction social relations and production social relations. This bridge is composed of the enablers to which LO-12.1 refers and the barriers in LO-12.2. Whereas the feudal family socialisation included on-the-job learning, as economic activity becomes more knowledge-based, the learning young people need to enter work is provided outside of the family in schools, colleges, universities and apprenticeships: credentials increase in importance. Where power in labour markets is with employers, they can impose transition barriers such as zero-hour contracts and lengthy unpaid traineeships: the young worker effectively ‘buying’ a job. Another barrier for some is that elite families have social capital connections (‘who you know’), to the disadvantage of less privileged young people. However capable and motivated the young person is, meeting the planlessness of capitalist resource allocation and its inefficiency is an anxious, difficult time. Public services can reduce this anxiety with the quality of schooling and later education/training for young people,

especially including work-based learning, problem-solving and project work, shortening the time taken for young people to become value creators (Lo-12.3). Planned transitions as part of socialist planning are of course a much better option than being part of an industrial reserve army of labour.

Some of the barriers young people face such as mental health issues, homelessness and housing, perhaps violence or racism are diseases of capitalism visited upon individuals, often blaming themselves. Public services can counter these barriers, gifting value-flow to young people. The policy conclusions from this chapter revolve around smoothing the transition pathway by supporting young people in overcoming barriers. Theoretically, the contribution is to locate young workers as part of the working-class and not some incomprehensible sub-culture, embraced by working-class organisation in their transition, with issues of mental health and housing addressed at source.

References

- Adamson M, Roper I (2019) 'Good' jobs and 'bad' jobs: contemplating job quality in different contexts. *Work Employ Soc* 33(4):551–559
- Almalki M, Gray K, Sanchez F (2016) The use of self-quantification systems for personal health information: big data management activities and prospects. *Health Inf Sci Syst* 3(Suppl 1):S1. <https://doi.org/10.1186/2047-2501-3-S1-S1>
- Amy J (2014) Marxist subcultural theory and international business activity. In: Dunning JH, Boyd G (eds) *Alliance capitalism and corporate management: entrepreneurial cooperation in knowledge-based economies*. Edward Elgar, Cheltenham, pp 1–23
- Anooshian LJ (2005) Violence and aggression in the lives of homeless children. *J Fam Violence* 20(6):373–387
- Appel AE, Holden GW (1998) The co-occurrence of spouse and physical child abuse: a review and appraisal. *J Fam Psychol* 12(4):578–599
- Arnett JJ (2014) *Emerging Adulthood: The Winding Road from the Late Teens Through the Twenties*. OUP, Oxford
- Atherton I, Nicholls CM (2008) 'Housing First' as a means of addressing multiple needs and homelessness'. *European Journal of Homelessness* 2:289–303
- Bano N (2024) *Against landlords – how to solve the housing crisis*. Verso, London
- Bauman Z, Lyon D (2013) *Liquid surveillance: a conversation*. Wiley, London
- Baum AS, Burnes DW (1993) *A nation in denial: a social history of homelessness in contemporary America*. Westview Press, Boulder, CO
- Bell P (2003) I'm a good mother really! Gendered parenting roles and responses to the disclosure of incest. *Child Soc* 17:126–136
- Benjaminson L (2013) Policy review up-date: Results from the Housing First based Danish homelessness strategy. *European Journal of Homelessness* 7(2):109–131
- Braungart RG, Braungart MM (2001) Youth Movements, in *International Encyclopedia of the Social and Behavioural Sciences*, OUP, Oxford
- Braverman H (1974) *Labour and monopoly capital*. Monthly Review Press, New York
- Brown E (2002) *The condemnation of little-B – new age racism in America*. Beacon Press, Boston
- Brown G (2021) *Seven ways to change the world*. Simon and Schuster, London
- Buckner RL (2004) Three principles for cognitive aging research. *Cognitive neuroscience of aging: linking cognitive and cerebral aging: linking cognitive and cerebral aging*, p 267
- Burden-Stelly C (2020) Modern U.S. Racial Capitalism, *Monthly Review*

- Çağlı E (2004) Marxism and Youth, <https://en.marksist.net/elif-cagli/marxism-and-youth>
Page 1 of 18
- Christian J (2003) Homelessness: integrating international perspectives. *J Community Appl Soc Psychol* 13(2):85–90
- Cohen BMZ (2016) *Psychiatric hegemony: a marxist theory of mental illness*. Macmillan, London
- Connolly CD et al (2006) Persistence of intimate partner violence among families referred to child welfare. *J Interpers Violence* 21(6):774–797
- Corlett A, Odumtten F (2022) *Hope to buy: The decline of youth home ownership*. Resolution Foundation, London
- Crowley K, Jacobs M (2003) Building islands of expertise in everyday family activity, *Learning conversations in museums*. Routledge, pp 337–360
- Davies J (2017) Political pills: psychopharmaceuticals and neoliberalism as mutually supporting. In: *The sedated society*. Palgrave Macmillan, London, pp 189–225. https://doi.org/10.1007/978-3-319-44911-1_8
- Davis AY (2011) *Are prisons obsolete?* Seven Stories Press, New York
- Davis AY (2011a) *Abolition democracy: beyond empire, prisons, and torture*. Seven Stories Press, New York
- Davis AJ (2016) *Freedom is a constant struggle*. Haymarket Books, Chicago, IL
- Deacon BJ, McKay D (2015) The Biomedical Model of Psychological Problems: A Call for Critical Dialogue. *Behavior Therapist* 38(7):231–235
- Dennett D (1992) *Consciousness explained*. Back Bay Books, Los Altos, CA
- Du Bois WEB 1935 (2019) *Black reconstruction: an essay toward a history of the part which black folk played in the attempt. To reconstruct democracy in America 1860-1880*. Free Press, New York
- Ferguson S (2017) Children, childhood and capitalism: a social reproduction perspective, Chapter 6. In: Bhattacharya T (ed) *Social reproduction theory*. Pluto Press, London
- Filandri M, Olagnero M (2016) Home-ownership, poverty, and housing deprivation, *CorpusID*, 5:3471788, pp 1–22
- Foucault M (1975) *Discipline and punishment*. Gallimard, Paris
- Foucault M (1976) *The history of sexuality*. Basic Books, New York
- Fracchia J (2008) The capitalist labour-process and the body in pain. *Hist Mater* 16(4):35–66
- Fromm E (2009) *Beyond the chains of illusion: my encounter with Freud and Marx*. Continuum, London
- Garavan TN, Costine P, Heraty N (1995) *Training and development in Ireland*. Oak Tree Press, Dublin
- Gaubatz KT (2001) Family homelessness in Britain: More than just a housing issue. *J Child Poverty* 7(1):3–22
- Gilmore RW (2007) *Golden gulag – prisons, surplus, crisis and opposition in globalising California*. University of California Press, Los Angeles
- Gormley GJ, Kajamaa A, Conn RL, O’Hara S (2020) Making the invisible visible: a place for utilizing activity theory within in situ simulation to drive healthcare organizational development? *Adv Simul* 5:29. <https://doi.org/10.1186/s41077-020-00148-8>
- Gorz A (2001) *Farewell to the working class*. Pluto, London
- Hague G, Mullender A (2006) *Who listens? The voices of domestic violence survivors in service provision in the United Kingdom*. *Violence Against Women*. 12(6):568–587
- Haiven M (2022) *Palm oil – the grease of empire*. Pluto Press, London
- Hill D (ed) (2013) *Immiseration capitalism and education: austerity, resistance and resistance and revolt*. Institute For Education Studies, London
- Hyötyläinen M (2022) “Not for normal people”: the specialization of social rental housing in Finland. *ACME, An International Journal for Critical Geographies* 19(2):545–566
- Keep E (2012) Youth transitions, the labour market and entry into employment: some reflections and questions. *SKOPE Res Paper* 108:1–24

- Kinder T (2003) Mrs Miller moves house – interoperability of local public services in Europe. *J Eur Soc Policy* 13(2):141–157
- Kumar S, Jeyaseelan L et al (2005) Domestic violence and its mental health correlates in Indian women. *Br J Psychiatry* 187:62–67
- Kundani A (2014) *The Muslims are coming! Islamophobia, extremism and the domestic war on terror*. Verso, London
- Laing RD (1967) *The politics of experience and the bird of paradise*. Penguin Books, Harmondsworth
- Lauria AK (1971) Towards the problem of the historical nature of psychological processes. *Int J Psychol*
- Leontiev AN (1978) *Activity, consciousness, and personality*. Prentice-Hall, Englewood Cliffs, NJ
- Lethbridge D (1986) A marxist theory of self-actualization. *J Humanist Psychol* 26:2. <https://doi.org/10.1177/0022167886262006>
- Levendosky AA, Lynch SM, Graham-Bermann SA (2000) Mothers' perceptions of the impact of woman abuse on their parenting. *Violence Against Women* 6:248–272
- Levykh MG (2008) The affective establishment and maintenance of Vygotsky's zone of proximal development. *Educ Theory* 58(1):83–101
- Lynch SM, Graham-Bermann SA (2013) Mothers' perceptions of the impact of woman abuse on their parenting *Violence Against Women* 6:248–272
- Main TJ (2008) Analysing Evidence for the structural theory of homelessness. *J Urban Aff* 18(4):449–457
- McDonald R, Jouriles EN, Norwood W, Shine Ware H, Ezell E (2000) Husbands' marital violence and the adjustment problems of clinic-referred children. *Behav Therapy* 31:649–665
- McGee C (2000) *Childhood experiences of domestic violence*. Jessica Kingsley Publishers, London
- McIntosh JE (2003) Children living with domestic violence: Research foundations for early intervention. *J Fam Stud* 9(2):219–234
- Mejia-Lancheros C, Woodhall-Melnik J, Wang R, Hwang SW, Stergiopoulos V, Durbin A (2020) Associations of resilience with quality-of-life levels in adults experiencing homelessness and mental illness: a longitudinal study. *Health Qual Life Out* 19(74):2–9
- Mierîa I (2018) Beyond 'left' and 'right'? The role of culture and context in young people's understanding of ideology. In: Pilkington H, Pollock G, Franc R (eds) *Understanding youth participation across Europe*. Springer, London, pp 37–66
- Milanovic B (1998) Global inequality of opportunity: how much of our income is determined by where we live? *Rev Econ Stat*. https://gc.cuny.edu/CUNY_GC/media/LISCenter/brankoData/Global-inequality-of-opportunity.pdf
- Moncrieff J (2022) The Political Economy of the Mental Health System. *Front Sociol* 6. <https://doi.org/10.3389/fsoc.2021.77187>
- Mulder I (2013) Sociable smart cities: rethinking our future through co-creative partnerships, Distributed, ambient, and pervasive interactions: second international conference, DAPI 2014, Held as Part of HCI International Crete, Greece, June 22–27, 2014. *Proceedings 2*. Springer International Publishing, 2014
- Ollman B (1976) *Alienation: Marx's conception of man in capitalism society*
- Öst SE, Wilhelmsson M (2019) The long-term consequences of youth housing for childbearing and higher education. *J Policy Model* 41:845–858
- Peck J, Theodore N (2012) Politicizing Contingent Work: Countering Neoliberal Labor Market Regulation ... from the Bottom up? *South Atlantic Quarterly* 111(4):741–761
- Peris TS et al (2015) Trajectories of change in youth anxiety during cognitive—behaviour therapy. *J Consult Clin Psychol* 83(2):239
- Peters MA, Besley T (2013) Marx and Foucault: subjectivity, employability and the crisis of youth unemployment in the great global recession. *Policy Futures Educ* 11:6. <https://doi.org/10.2304/pfie.2013.11.6.779>
- Pleace N, Knutagård M, Culhane DP, Granfelt R (2016) Canadian observatory on homelessness PNAS (2023), (accessed 021223), doi: <https://doi.org/10.1073/pnas.2221910120>

- Polanyi M (1958) *Personal knowledge*. Routledge & Kegan Paul, London
- Ratner C, Silva (2019) *Vygotsky and Marx – Toward a Marxist Psychology*. MR Books, NY
- Robinson CJ (1983/2021) *Black Marxism – the making of the Black radical tradition*. Penguin, London
- Rogers CR (1956) Client-centered theory. *J Couns Psychol* 3(2):115–130
- Rogers CR (1969) *Freedom to learn*. Merrill Publishing, Columbus, OH
- Ryff CD, Singer BH, Davidson RJ (2004) Making a life worth living – neural correlates of well-being. *Psychol Sci* 15(6):367–372
- Schwab RB (1979) *Social order and mental health: the Florida health study*. Brunner-Maze, New York
- Sennett R (1998) *The corrosion of character: the personal consequences of work in the new capitalism*. Norton, New York
- Sennett R (2003) *Respect – the formation of character in a world of inequality*. Penguin, London
- Smith J (2016) *Imperialism in the twenty-first century – globalisation, super-exploitation and capitalism's final crisis*. Monthly Review Press, New York
- Standing G (2009) *Work after globalization: building occupational citizenship*. Elgar, Cheltenham. <https://doi.org/10.4337/9781849802376>
- Standing G (2011) *The precariat – the new dangerous class*. Bloomsbury, London
- Standing G (2014) *A precariat charter: from denizens to citizens*. Bloomsbury, London. <https://doi.org/10.5040/9781472510631>
- Threadgold S (2020) Figures of youth: on the very object of Youth Studies. *J Youth Stud* 23(6):686–701
- Thunberg G (2019) *No one is too small to make a difference*. Penguin, London
- Tischler VA (2006) *Mothers experiencing homelessness: implications of Stress and Coping Theory in the Development of Services—Nottingham Research*, Nottingham University
- Tully J (2014) *Silvertown – The lost story of a strike that shook London and helped launch the modern labour movement*. Monthly Review Press, New York
- Uba K, Bosi L (2022) Explaining youth radicalism as a positioning of the self at opposite extremes. *Politics* 42:1. <https://doi.org/10.1177/0263395721990539>
- WHO (2023). <https://www.who.int/news-room/fact-sheets/detail/youth-violence#:~:text=Youth%20violence%20results%20in%20deaths,can%20lead%20to%20chronic%20diseases>
- Wood EM (2006) *Democracy as ideology of Empire*. In: Mooers C (ed) *The new imperialists: ideologies of empires*. Oneworld Publications, New York

Chapter 13

Marx and Healthcare Public Services



Abstract It is said that a child dies from hunger every 5 s; yet, whatever the validity of shocking statistics, it is clear that health inequalities are rising as neoliberals cut health and care public services, replacing them with for-profit premier services and offering minimal or no service to those unable to pay. This trend is seen especially in the USA and poorer countries, where life expectancy can be 30 years lower than in wealthy nations. While health and care models vary with cultures, capitalism aims to maximise those services (exchange-value (EV)—not use-value, UV) from which profit can be made by companies despoiling our natural heritage and inflicting negative externalities from their products and processes. Disability can be an extreme case of low UV production because it is unprofitable with disability being a social construction in some cases used to exclude and discriminate. Lean management is part of the problem, as are inflated pharmaceutical costs highlighted in Waitzkin's medical-industrial complex. Additionally, there is a need for social policies and social medicine to prevent the growth of ill-health through a multi-factorial approach to good health and care, rather than profit-seeking medicalisation. Cuba is a good example of social medicine and production of healthcare knowledge.

13.1 Introduction

Marx and Engels were in the inequality business, not in the same way as liberals, who seek to ameliorate conditions a little. No, Marx and Engels' analysis showed that the cause of inequalities is capitalism, and their life's work as revolutionaries was to show scientifically why the collapse of capitalism is inevitable and to justify a change in class rule. The worker in capitalism is in constant danger of illness and injury resulting in transfer from wage labour into the industrial reserve army of labour: the floating group used by capitalism to hold down wages, to be called upon only in boom conditions when labour is in short supply. Some workers are medically certified for disability, others with severe mental health problems face *carceral sanism* (confinement, not care). Health stands between the workers and their social status as proletarians.

In the neoliberal period (roughly since 1973) inequalities have risen between countries and within countries as Piketty (2014) evidenced. The poorest 50% of our 9-billion population now share just 8% of total income flow and an even lower proportion of the stock of wealth. With wealth inequality come educational and health inequalities. Life expectancy at birth in poorer countries is 30-years lower on average than in rich countries, with a gap of 50-years from poorest to richest. Within countries, including what Marx called the *dictatorship of the bourgeois*—his term for liberal democracy—health inequality gaps are widening. In Scotland, Glasgow suffers a 10-year life-expectancy gap with Chelsea, a rich area of London. Of course, health is more than just length of life; quality of life matters.

Healthcare can take the form of either exchange-value (EV, commodity sold on market) or use-values (UV, created and distributed without market or money mediation). A basic principle of state healthcare often is free access on demand. Classically, Esping-Andersen (1990) suggested three models of welfare: (a) voluntaristic (paid-for and family); (b) mixed-economy (base public services for all and extra private paid-for services and (c) a Nordic cradle-to-the-grave model of high-quality public service funded by high taxes. This neat model is now blurred partly because technologies make leapfrogging of health service models possible (e.g. India's mobile train surgery units using robotic surgery) and partly because neoliberals promote private healthcare. The universal healthcare service model is now under attack from neoliberal new public management (NPM) bringing quasi-markets and market discipline into the public sector or transfer of assets and functions from the public to the private (for-profit) sector.

Marx and Engels' work showed rising inequality to be class based and caused by capitalist relations. For capitalism a healthy workforce, especially skilled labour, is essential for surplus-value (SV) exploitation in social relations of production. In fighting for healthcare, the working-class movement sought healthcare for all, capitalist employers are only interested in the health of their own workforce.

In Marx's lifetime no state public health services existed only a smattering of church and voluntary initiatives; Florence Nightingale's attentions were reserved for soldiers. Until Pasteur's verification of germ theory and subsequent advances in pharmaceuticals, medicine had advanced little since the early middle ages.

Marx and Engels' contributions to understanding ill-health and healthcare often go unacknowledged yet were profound. These include (a) the social model of health, as opposed to bio-determinism, incorporating scientific breakthroughs such as germ theory; (b) their understanding of disability, based on alienation and (c) a dialectical notion of ill-health as multi-factorial, rather than the dominant uni-factorial approach dominant in the mid-nineteenth-century Europe. Their work supports Waitzkin's (2018) later social medicine ideas and analysis of a medical-industrial complex, supported also by Adler-Bolton and Vierkant (2022), who criticise the USA for-profit pharmaceutical and insurance companies and professional-discipline based structures making service integration difficult.

13.1.1 *Structure*

The chapter proceeds by summarising what we know about health and healthcare inequality: the changing shape of needs, different models, systems development, technology, healthcare ecosystems and trends in the political economy of healthcare. Then, Marx and Engels' analysis of health and healthcare is unpacked referencing public services in developed and developing countries, concluding with a summary of theoretical and policy lessons.

13.2 What Do We Know?

Here we pick up comments on healthcare from Chap. 10 on public–private partnerships (PPP), on mental health in Chaps. 9 and 12 philanthropy, noting how gender (Chap. 15) and race (Chap. 16) connect with healthcare. We explore the changing shape of ill-health and healthcare needs; models and systems of healthcare; technology; ecosystems and networks; trends and political economy then theory and policy conclusions.

13.2.1 *Changing Shape of Ill-Health and Healthcare Needs*

Income and Health Inequalities

Neoliberalism creates rising income and capital inequality. Piketty's (2013) $r > g$ (return on capital exceeding growth rate) means a rising proportion of value-flow going to the rich: roughly 4% pa as opposed to 1% growth. Piketty wrongly suggests that Marx underestimates technology investment, when Marx's tendency for the rate of profit to fall (TRPF) is based on labour shedding, resulting from technological automation, reducing labour's value-adding. Thus, for Marx far from stable $r = g$ we can expect a falling rate of profit and a shortage of profitable investment opportunities. Piketty's (2020) *Capital and Ideology* presumes that the rate-of-profit at 4% is normal and will continue widening inequality. There is nothing normal about 4%; between 1945 and 1973, profit rates were higher, and growth was higher. Marx's theory of TRPF as a long-term trend remains valid. Absence of profitable investment opportunities is the central contradiction of capitalism, which is a system, out of control, even by capitalists. Piketty's wealth tax and seats on company boards are liberal reforms leaving the system intact. As capitalism runs out of investment opportunities and resorts to fictitious capital (derivatives, etc.) investment becomes exposed to *Minsky moments* bidding up asset prices until they crash—the 2008 scenario (Wray 2016).

Acemoglu (2015) and Acemoglu and Robinson (2002) point to stronger trade unions as limiting inequality. Criticising the Washington Consensus (low tax and few public services) as a growth strategy, Castells and Himanen (2002) argue that Nordic high taxes and high-quality public services are a better strategy for high growth. Dabla-Norris (2015) finds that rising inequality reduces meritocratic mobility. In more equal countries (lower Gini), Wilkinson and Pickett's (2018) post-1945 study found higher growth—Nordic countries and Japan are examples. Their *spirit level* study categorically proves that wealth and health inequalities correlate both within and between countries.

In summary, income and health/healthcare inequalities go together and income inequality has risen since around 1973 and is predicted (given neoliberal dominance) to rise further, unless working-class agency intervenes.

Demographic and Bio-determinism

Marx and Engels reject determinism—that social events are caused by forces outside of matter (including human will): external forces such as God, or biological determinism in the form of Social Darwinism (survival of the strongest), or technological determinism (path-dependent object design). Xiaoxing (2022) charts how Social Darwinist ideas were popular with the KMT and Japanese fascist invaders (see also Chung 2014 and Rejón 2023) who used eugenics to attack disabled people, justifying racial superiority. Eugenics became popular in Korea (Tikhonov 2016), England (Paul 2006) and Nazi Germany (Schubert 2011). For Marxists bio-determinism is anathema (Dickens 2000). Diamond's (2011) explanations of civilisation collapse veer towards Malthusian demographic-determinism. Recently, some leaders (Trump, Johnson) justified inaction to Covid (leading to high death rates) arguing it was the wrath of God or an inevitable result of an ageing population. The dialectical biologists (Lewontin 1993) scientifically destroy bio-determinism, as does Klausen's (1998) work showing how public services can control/mitigate famine and plagues. Rieff's, *Reproach of Hunger* similarly argues that famine is man-made and avoidable. He notes the twelve famines in India during British rules (the last in 1943 Bengal, where three million people died) and the famine mounds still visible outside Cork in Ireland, made from the corpses of Irish people, while the British government refused to send food.

The point here is that effective public services can respond to natural or man-made disasters mitigating their effect—there is no social determinism. Scheidel *Great Leveller* (2017) agrees. He points to four social ruptures that flatten inequality: transformative revolution, state failure war, and lethal pandemics; each of which, he says, can be controlled or mitigated by public service intervention.

Culture and Ill-Health

Bourdieu's (1984) sense of culture as learned habitus/habituations influences how we view ill-health and what healthcare we expect. For example, an early telemedicine project (Kinder 1999) featuring the transfer of perinatal expertise between the Greek island and Edinburgh University Medical School highlighted the Greek patient expectation of a prescribed pharmaceuticals after each examination, whereas the British Consultant minimised drug intake. Many placebos were prescribed. I also noted the pregnant Chinese woman expecting a doctor's visit each day, whereas the Scottish Doctor's view was, 'Call me if you need me.'

We see an occupational culture of ill-health when in some industries accidents are accepted as part of the job. Part of Whyte's (2020) plea to *Kill the Corporation Before it Kills US* goes beyond environmental pollution and negative externalities and notes international high levels of injuries and ill-health in MNCs. Some industrial accidents, as Carson (1982) highlights, are costly in terms of human life. Oreskes (2012) discusses the deceptive practices of tobacco companies regarding smoking and Dorey (2018) examines the presence of minute plastic particles in drinking water and fish.

Culture in capitalism shapes how we view ill-health covering up capitalism's role in causing ill-health and inadequately treating the whole-person freedom from ill-health.

13.2.2 Models

Using a simple in-transformation-output model we can identify eleven models for healthcare delivery (Fig. 13.1), with additional hybrid models in practice.

Appropriate multilayering in healthcare models is important: a small town may expect to have a doctor available while accepting that maternity services are at a regional level, with national centres of excellence for brain and heart surgery. As health patterns alter and technology advances restructuring of layering is needed. Types of models reflect cultures. Sander (2010) argues that, for example, on-demand care presumes a degree of individual responsibility; obesity and diabetes can be avoidable, diseases like meningitis can be mitigated, while measles and mumps can be prevented through immunisation. Many health issues are diagnosable and treatments identifiable at a localised or digital (internet, call-centre) level without bothering expert doctors. Countries newly evolving healthcare systems can benefit from technological leapfrogging: China and India have in cataract surgery. It is important to realise, as Waitzkin (2018) argues, that socio-economic pressures can regress healthcare models: citizens in Columbia, Greece, Spain and the UK complain that neoliberal NPM policies have migrated their models from Beveridge to Semashko—narrowing the scope of services (see Lafond and Roberts 2017; Montgomery et al. 2017). All models are strained by cross-cutting epidemics such as Covid (Tooze 2021) or in an earlier era the smallpox Kolb (2019) found that devastated

Model	Input	Service transformation	Outputs
• National insurance	• Citizens pay into Government fund who dispense to private providers e.g. Canada	• Richer patients top-up for access to preferred staff and organisations	• Waiting lists • Limited scope of services
• Social insurance • Bismarck model • Universal coverage with multiple-payer	• All citizens must pay. • Local doctor surgeries hold budgets.	• e.g. Germany, France, Netherlands	• Not-for-profit • Possibly 'value-based' i.e. paid for patient outcomes
• Beveridge NHS, free on-demand access for all	• Funded by general taxation. • public services 'single-payer' • e.g. UK, Spain New Zealand	• Free, on-demand	• Some waiting • healthy population
• <i>Semashko</i> (tight, central control), free access for all	• General taxation funding, public services 'single-payer'	• Publicly-owned facilities and public services staff	• Layered service model
• Private insurance: multi-payer without universal coverage	• Pay private insurers who dispense funds to private (some public) providers. • e.g. USA	• Costly insurance company mediation	• Differential qualities of service • Uninsured
• Hybrid health systems	• Shaped by the politics. • e.g. Netherlands, Switzerland, Singapore	• Multi-level facilities	• Rich citizens top-up to select facility
• World Bank	• Dependent on donor funding (IFC loans), minimal public facilities,	• Charges for services (sometimes insurance-funded)	• Subject to economic stability/growth • Danger: easy austerity target
	• e.g. South America and Asia	• Perhaps 1-billion people	
• China model	• Universal basic medical insurance • Opportunity to top-up	• Hypothecated fund • 1.1-billion	• Strict attention to over-prescribing • Care at distance models
• Out-of-pocket model	• Family funds care when affordable • Billions receive no care	• 5-billion people excluded	• Expanded as economy grows

Fig. 13.1 Models of healthcare

north-American indigenous communities. Animal husbandry introduces capitalist health risks that alternative forms of food production and processing avoid: Wallace's (2016), *Big Farms, Big Flu*, meat processing (Leonard's 2014, *The Meat Racket*) and destruction of natural disease systems (O'Connor's 1998 *Natural Causes*). Epidemics stress any healthcare model, requiring wide social mobilisation, which the USA failed to implement (resulting in 1.1 million deaths), whereas China successfully locked down (recording 5272 deaths).

Part of the promise of industrialisation and modernisation is the creation of a larger social surplus capable of supporting different models of healthcare. This of course depends on the sensitivity of political processes to citizen's priorities and the preparedness of people to pay higher levels of taxes: Jansson's (2013) argument. As always there is no determinism here, only political choices; a rich country like the USA still has 40-million people without any health insurance, while Botswana (at a primary care level) boasts excellent healthcare.

13.2.3 *Lean Healthcare Systems*

Lean value analysis can benefit healthcare or alternatively be used as an NPM tool to reduce services. Lean distinguishes low cost (minimum unit cost) from lean (maximum value per cost unit). It applies Womack and Jones' (1996) five lean principles: (a) customer *value*; (b) whole service systems in *process* steps; (c) uninterrupted process *flow*; (d) customer *pulls* efficiency and (e) *continually removing waste*. Classic texts include Deming (1982), Ohno (1988) and (Levitt 1972, 1976) for services.

Services are wasteful, George (2003) argues, because demand varies with work-in-progress (WIP) hidden in unanswered emails, calls and follow-ups. 80% of waste is in 20% of activities, indicating (2003:21) that a 10% defect rate increases cycle time by 38% and WIP by 54%. Speeding up WIP, even in unaltered architecture (e.g. using triage to create a pull system) dramatically improves service performance: for example, the *takt* (one-in-one-out) technique. For Goldratt and Cox (1993) improving flow means continually seeking and eliminating bottlenecks. Think of an Accident and Emergency unit (Kinder 2012 case study).

Process cycle efficiency (PCE) is the value-added time as a proportion of total lead time. George (2003) says PCE of less than 10% indicates serious waste. Lean analysis makes visible all process chain steps aiming to reduce or eliminate wasteful steps and speed up flow. This presumes standardising *processes* (think of cataracts, broken bones). Radnor and Walley (2006) detail lean examples in Scottish public services, for example A&E flow time reducing from 135 to 70 min (48%) with touch-time decreasing from 96 to 50 min and process steps from 84 to 19: a 77% reduction. Care is needed to not shift bottlenecks elsewhere (e.g. into surgical wards). Rapid Improvement Events campaign to bring down waste quickly, but may mean that short-term gains prove unsustainable and that deeper process redesign is needed, for example in A&E demand-smoothing (appointments). Lean requires staff buy-in and cannot be imposed top-down. Staff fearful of job losses need reassurance of redeployment since ways-of-working are *sticky* (Von Hippel 1982) meaning difficult to codify.

Error or waste should be subject to a plan–do–check–act cycle (including root-cause analysis), designing waste reduction in improved standard operating procedures; waste is defined as any activity not adding customer value (Ohno 1988).

Lean differs from simple low cost that might also reduce customer value. Ryanair mixes the two. Ryanair's efficient turnaround time, e-ticketing and payments from low destination airports are lean, whilst low cost (diminishing customer value) might include charging for using the toilet, wheelchairs, checked-in luggage, etc. Krafcik's (1988) original concept is low cost.

Learning and continuous improvement presumes devolved autonomy, as MacDuffie (1997) argues, that resources are located at the problem not the point in the hierarchy noting the problem. In six-sigma language, (Ehrlich 2002) *moments of truth* occur when sets of previously dissatisfied customers become satisfied because of continuous improvement innovation. Periodically, lean organisations re-evaluate

value processes seeming more radically to redesign value-flows, becoming *lean learning enterprises* (Liker 1996). For Pieper (2004) 3-year system reviews should track value-flows throughout a healthcare system following a pathway of patient entry and routing; diagnostics, diagnostics to treatment, discharge (transfer or exit).

Lean and Learning

Continuous improvement is only possible in a stable, performing system capable of tight–loose–tight cycles (central target, decentralised experiment, central target). In healthcare with its historic tensions between managers and professionals (Friedson 1994) a mechanical application of SIPOC modelling (supplier–inputs–processes–outputs–customer) is likely to result in difficulties. Deming (1982) acknowledged the importance of *profound knowledge*. Caldwell et al. (2005) argue that lean healthcare requires managers to understand professional's processes; visible data breed trust; ethics are best discussed and shared. They go on to propose that the first lean projects should have approval of key professionals and maximise non-professional added-value contributions.

Lean then makes visible value-added and waste in healthcare systems, inviting amplification of the former and elimination of the latter. As in all person-to-person systems, Cooper and Rasmussen (2019) emphasise, the human and emotional element is important. Preventative medicine is always less costly than treatment. Some countries have dual healthcare systems, India is an example, differentially charging health tourists to cross-subsidise indigenous healthcare.

The USA

As the richest country, we might expect a glowing record on healthcare in the USA. Chronic diseases (diabetes, heart disease and cancer) remain the highest causes of death and ill-health disability. OECD (2014) records that amongst other (rich) OECD countries the USA has the lowest life expectancy at birth, highest death rate from treatable conditions, highest infant mortality rate and is twice the OECD average for multiple chronic conditions and obesity. Why so rich, yet so poor, echoing Galbraith's (1963) *private rich, public poor* mantra in the 1970s. Its insurance system contains perverse incentives (over-prescribing), costly transactional intermediation and politicisation (States rejecting Obamacare). Medifind (2023) points to system failure excluding 40-million Americans from *any* medical insurance cover; an international Index rates the USA bottom amongst developed countries for access and quality.

Healthcare systems often apply lean techniques, though often seeking cost-downs rather than maximising customer value: they are low cost rather than lean. While robust systems rely on feedback for learning and innovation, intermediated (insurance) systems erect barriers to service user feedback, introducing inefficiency.

This seems especially prominent in the USA system, which though costly is widely criticised.

13.2.4 *Technology*

Technology is widely defined, following Dewey's (1925) *pragmatic technology* as applying knowledge to natural artefacts to increase productivity/performance.

Technology

Technology is never neutral—its direction of implementation and benefits are decided by clashes of power. Technology innovation also is always non-linear, adapted to context and culture and therefore has unforeseen results, complementarities (or not) with success judged by a range of social, economic and technical factors. For example, who foresaw that ultra-violet scanning of unborn children might be used for gender selection, resulting in gender maldistribution in some Indian and Chinese cities?

From the 1990s, a strategy of independent living emerged, including for people with early- and mid-stage dementia or physical and mental illnesses/disabilities. Smart housing (Kinder 2000) customises alert, alarm and assistive technologies, while also integrating ambient formal and informal care services around the needs of the person. In Finland (Tirronen et al. 2020) Town Centre concentric housing provides homes at varying levels of need around a centre providing the full range of medical, social care and educational and social services. For care-in-the-community to be safe and ethical, it must be information- and technology-intensive. Further reductions in the costs of residential care arise when professionals in maternity public services unlearn practices such as retaining babies in hospital (Stenvall et al. 2018) and begin supporting mothers in the home. Laparoscopy (key-hole surgery) too, especially when associated with regional or light-touch general anaesthetics, reduces surgeon time and the need to occupy (expensive) hospital beds. Preventative inoculation programmes (polio, mosquito bite, Lyme sickness or malaria) are much less costly than treatment.

Pharmaceuticals

According to Batta et al. (2020) citing USFDA approvals, between 2000 and 2008, 209 drugs were approved. Of these 9% were for cardiovascular disorders (such as fondaparinux and ranolazine); 12% for neurological disorders (rivastigmine and aripiprazole); 12% were anti-cancer drugs and 7% biologics; with antibiotics at 5% and antivirals (6%) were the least approved area. Landmark drugs over the decade included new insulins, Ziprasidon HCL for schizophrenia treatment, Oxaliplatin for

metastatic carcinoma of colon and rectum, Memantine HCL for Alzheimers, Nebivolol for hypertension and Artemether for malaria. Major pharmaceuticals and biotech company profits for 2022–23 include Pfizer at US\$ 31 billion, Johnson & Johnson US\$ 18 billion, Merck at 15 billion, Roche 13, AbbVie 13, Novo Nordisk 8 and Sanofi 7. In Kaivo-Oja et al. (2024) we argue that it is not staff wage inflation but rather the cost of pharmaceuticals that pushes up healthcare costs.

Information Flow and Diagnostics

Diagnostics has advanced [analysis from hair samples, ingestible sensors, scanners such as CT (computed tomography), MRI (magnetic resonance imaging), PET (positron emission tomography) and PEM (positron emission mammography)]. As Kinder and Burgoyne (2013) show, while previous information models in healthcare were vertical, efficient patient journeys now require both vertical and horizontal information flows, with all patient records following the patient and available to clinicians. This has a major impact on ways-of-working in hospital environments, allowing senior clinicians to maximise time spent on diagnoses and treatment while more junior staff organise patient and information flows. Where records are digitalised, cross-referencing between patient data and treatment patterns using big-data analysis reduces errors (Kuoppakangas et al. 2019). *Although dated, Kinder et al. (1999) demonstrate analyses of healthcare-at-a-distance, with experts advising inexpert practitioners. Using GPS and body-worn alert and alarm devices enables tracking of people who wander using zones of safety and programmed alarms (Kinder 2004).*

AI in Healthcare

Artificial intelligence (AI) is a general-purpose technology already having a major impact in healthcare, which is likely to expand. It is characterised by machine learning.

- In preventative medicine, one example is the Oulu ring (Koskimies et al. 2023) that automatically gathers health data, signalled to the local health centre where AI-enabled analysis triggers either an advisory message or alerts the doctor to call in the patient (Koskimies et al. 2023).
- AI enabled surgery currently one-million operations per year, mainly urology and gynaecology. Intuitive Surgical's *da Vinci Surgical System*, now with 70% of the market, enables robot-assisted arthroplasty for knees and hips, offering an opportunity for leapfrogging and at-a-distance healthcare in developing countries.
- As the search for Covid vaccines illustrated, interrogating DNA databases and trialling pharmaceuticals using AI is more efficient than animal or human testing and was used by both the Chinese and US vaccine development teams.

- Clustered regularly interspaced short palindromic repeats (CRISPR) uses enzymes as ‘scissors’, and ligase enzymes as ‘glue’ to recognise and neutralise viruses. This technology speeds up and simplifies production, truncating labour processes and is supported by AI interrogation of databases. Doudna and Charpentier’s work led to the development of CRISPR technology (2014), with earlier contributions by Cooper (2008) and Borg and Policante (2022). Basic genetic engineering has now reached the skill level of operating a sewing machine, while basic CRISPR uses artificial plasmids ordered on [Addgene.com](https://www.addgene.org/) for \$30. Over 600 bioengineering companies are working on bacteria, archaea or eukarya in drug discovery.

Intermediate Technology

Less advanced technologies can make a great impact: Deng’s, *we must build with the stones that we find*. For example, efficient call-centres giving health advice can greatly reduce doctor time and speed up diagnoses (see Kinder and Lancaster 2001). Pharmaceutical or medical device companies leveraging the USA’s intellectual property system to gather rentier monopoly profits from poorer countries is ethically questionable—generic versions of drugs are justifiable.

Famously, India’s GE branch reverse engineered their body scanner applying frugal production techniques taking out 90% of cost retaining all the functionalities Indian healthcare requires (Immelt et al. 2009). The I-FDI Aravind Eye Care system in Tamil Nadu uses frugal processes for cataract operations: drawing new customers into the market. Hindustan Unilever applied frugal to hygiene products (Sánchez and Ricart 2010). Escorts Heart Institute and Research Centre in New Delhi offers frugal by-pass operations to health tourists, disrupting the private healthcare markets in the USA and EU. Just as lean thinking is more than low cost, frugal in BOP markets offers low cost Prahalad and Hammond (2002) noted and disrupts high-wage markets. Outside of healthcare, the frugal car, Nano though technically successful was not socially accepted (Kripalani et al. 2004; Gopalan and Mitra 2008).

Ethics and Technology in Healthcare

There is a burgeoning body of literature negatively portraying AI, some of it referencing healthcare pointing to embedding prejudicial historic data in databases (O’Neil 2016; Eubanks 2017); using AI to ease staff functions rather than add citizen value (Liebowitz 2013; Willcocks et al. 2013; Mayer-Schonberger and Cukioer 2013; Davenport 2014). Algorithms with biases (Shah and Lerche 2018; Lazonick and Shin 2020; Diakopoulos 2016; Cath 2018; Metcalf and Moss 2019); access issues (Buolamwini and Gebu 2018) and research on control of AI issues (Lysaght et al. 2019; Winter and Davidson 2019). These raise serious issues, all of which can be overcome by service providers, assisted by service users, being involved at every key decision stage using AI: particularly choice of databases and the outcome of

algorithm programming. This view is supported by research in Finland, one of the centres for ethical AI in Europe: Koskimies and Kinder (2022), Koskimies et al. (2023) and Kinder and Stenvall (2023). AI like all technologies is not neutral, however, it can support new service models (the Oulu Ring) and more accurate and efficiently support public service processes, provided application is democratised.

13.2.5 Social Medicine Ecosystems

Public services are best viewed as ecosystems rather than networks: the latter being centrally directed and transactional, low on trust. Ecosystems are the reverse, requiring relational leadership and shared destiny, encouraging experimenting with governances that arise from new patterns of working together—governance-as-legitimacy—rather than top-down imposed rules, structures and ways-of-working.

A body of our work captures these difference citing cases from Finland, Scotland and England including Tirronen et al. (2020) on action learning and improvements in social work ecosystem practice, Kinder et al. (2018a, b) on working with trust, (2020) on how governance-as-legitimacy arises in ecosystems, and (2021) relational leadership, and (2021) on emergent governances in ecosystems. Importantly, Tirronen et al. (2020a) show how integration of public health services and social services benefits user well-being. Similarly, in Lehtonen and Laine (2020) public services sports ecosystems in Finland are shown to develop both mass participation and elite sports. Public services ecosystems draw in resources that benefit the ecosystem, mix a variety of hybrid governances and ways-of-working, and where service user focused improve service quality and access. Integrating health and social care is a challenge that ecosystems can help resolve.

13.2.6 Trends and Political Economy of Health Inequalities

Health inequality is rising, at one extreme seven-million in refugee camps (many in Kakuma and Dadaab in Kenya and Kutupalong in Bangladesh), and countries suffering wars or unstable neighbours. Rich world moral dilemmas relate to keeping people alive, while mothers in Gaza ask their children to write their names on their bodies, in case they die in another bombing. Within the rich world and poor world class differences predict health. Why are black children in the USA three times more likely to die in infancy than white kids (Maryville 2023)? Positive technologies (the Oulu Ring and Chinese AI-enabled robotics) provide opportunities for poor countries to leapfrog expensive healthcare systems. Health inequality is caused by capitalism and can never be eradicated so long as human beings are judged primarily on how useful for profit-making, they are. What does Marx have to say?

13.3 Marx's Contributions

Historically, the family looked after health: witch doctors then Galen-type experience interpreting (without body system and germ theory and microscope or pharmaceuticals). In rich countries, between 1700 and 2000, average lifespan increased by 40 years due to advancements in medical understanding and public healthcare.

13.3.1 *Marx and Engels on Health and Healthcare*

Economic relations around ownership and control of the means of production create classes and shape society, including social constructions such as how illness is defined and treated. Thus, medicine and healthcare are major institutions shaped by capitalism's interests and have become corporate commodities while in others healthcare is a public service creating and distributing UVs. For Marxists, for whom all human life and welfare is valuable, healthcare should be freely accessible to all as a public service.

Ill-health definitions are based on the social model created by Marx and Engels, recognising that social power, institutions and culture (in short class society) shape how ill-health is defined and treated. This was first done in Engels' *Conditions* making Marxism the midwife of public health studies. Waitzkin's (1978) path-breaking work on health public services develops the concept of a *medical-industrial complex* (like Galbraith's military-industrial complex) highlighting the profits in private healthcare made by monopoly pharmaceutical companies and insurers and private hospital providers, a concept utilised in analysis below. For example, Maryville (2023) highlights black women in the USA a three times more likely to die during pregnancy than white women and a third of USA women delaying health access because of cost. These facts can only be explained by a dialectical analysis.

Marx is characteristically sharp in describing the capitalist attitude towards the healthiness of workers:

Political Economy regards the proletarian ... like a horse, he must receive enough to enable him to work. It does not consider him, during the time when he is not working, as a human being. It leaves this to criminal law, doctors, religion, statistical tables, politics, and the beadle. (Marx 1844)

Capitalists can only exploit workers healthy enough to work, however, they resist contributing towards the costs of a healthy working-class, leading Waitzkin (1978) to conclude that, *The Marxist viewpoint questions whether major improvements in the health system can occur without fundamental changes in the broad social order*. Healthiness in a capitalist world and healthcare services mirror class structures, mediated in some cases by public service healthcare, gained as a reform in class struggle. For-profit healthcare services and products (including pharmaceuticals and medical devices) constitute Waitzkin's *medical-industrial complex*: an ecosystem of for-profit activity and relationships seeking profit from commodification of

ill-health; often accompanied by an ideology that capitalism is supportive of people suffering poor health.

Individual capitalists may support groups of workers, especially those who are repositories of important knowledge, whom the capitalism regards as human capital in which they have invested and from which they seek return on investment. Marx predicted that whole sections of the working-class would be victims of capitalist crises, facing immiseration (Thampi 2019; Hill 2013). This is occurring currently as inequality rises in the post-2008 crash world, with workers' wages stagnant while asset owners enjoy widening wealth and health gaps. The gender and race discrimination, Engels (1844) wrote about in the *Conditions*, is also evident in the gender and race pyramids in healthcare (and other capitalist organisations), confining as Maryville (2023) shows women and ethnic minorities mostly to the lower levels. We explore below some of the contradictions in healthcare: stringent budgets trading off worker's interests (wages, jobs) against service users/customers, technological speedup of work processes or technology improving service quality.

Conceptualising Healthcare in Capitalism

Marx and Engels closely followed contemporary advances in science (biology, chemistry and soil science, thermodynamics, environmental issues), studying also the routes migrating science into technology. Their vision of a communist abundance relies upon productivity advances. As dialecticians they welcomed the multi-factorial explanations of disease and ill-health and the dumping of quackery and folk medicine and junk ideas (Daston 1988, 2003). Later in the nineteenth century biologists evolved germ theory (Ehrlich, Koch and Pasteur) replacing uni-factorial explanations, especially those 2300 years old from Galen in the pre-scientific era. As Dubos (1959), McKeown (1971), Illich (1976) and many others point out, Marx and Engels were pioneers explaining ill-health through a social model that incorporates germ theory and emphasises health and safety at work. In this they embraced the social medicine of Rudolf Virchow and Rather (1985) and the pioneering epidemiology studies of Marx's friend Lankester (1907). Laboratory and social medicine aligned closely with Marx and Engels' view of ill-health.

In the draft *Communist Confession of Faith*, Engels (1844) calls for an end to unhealthy jerry-built housing and in *Conditions* (1844) he constantly comments on health, for example in chapter on great town unhealthy living conditions and disposal of toilet waste. Throughout *Capital* Marx (1867) refers to health: from long hours, repeated shifts, public health Inspector's reports—continually he points the accusing finger at capitalism for causing deleterious health amongst the working-class.

Marx and Engels make lasting contributions to social healthcare theory. Firstly, their social model for health—health as socially constructed and therefore a socially solvable problem—remains the dominant analytical framework to this day. Man's pre-capitalism essence, his non-alienated self, is the standard for good health—a standard that capitalism cannot possibly achieve, as it condemns workers to an

alienated existence. Secondly, their dialectical method illustrates how health is not an isolated category but interpenetrates with other socio-economic phenomena. Health is not only the concern of doctors—it is the concern of social revolutionaries. For Marx poor health standards are not solved in laboratories by biologists, this is individual *patching*, he echoed the 1871 Commune call for healthcare for all, including addressing social disorders these would today include loneliness, addictions, isolation, personal troubles. Dialectics is a suitable tool for problem-solving and analysis of healthcare, Levins and Lewontin (2009) argue: it historicises, rejects equilibrium, envisaging interpenetration of multiple factors.

Virchow and Rather (1985) acknowledged Engels pioneering epidemiological studies in Prussia advocating improved social conditions and wages; causes of ill-health multi-factorial, social conditions not individual pathology; not hospitals and medicalisation. Marxism centrally features health, a tradition demonstrated by Lenin's (1920) work (see Navarro 1977), Allende's (1939) efforts in Chile before his murder in 1973, the innovative medical approaches in Cuba and modern Chinese traditional medicine. It became an important strand in the 1960s 'cultural turn' as Kelman (1971) noted. Health inequities, using Marx's framework, appear in Galbraith's (1972) critique of international development, Poulantzas' (1975) work on class structures and Gidden's (1973) early analyses—all highlighting, as Marx did, inequitable class access to healthcare, medical training and health outcomes.

Medical-Industrial Complex

Marx predicts that capitalist competition will result in the centralisation and concentration of industrial structures into monopoly, capable of exacting rentier profits (V–III). This is easily seen in university Medical Schools, often linked to hospitals performing research, located in large cities and elite universities, entrance to which is limited for working-class youngsters. Countries with insurance-based healthcare have witnessed de-mutualisation and merger processes (Kinder and Stenvall 2024) concentrating insurers, as part of the financialisation of services. Pharmaceutical companies increasingly deploy their R&D budgets to buy in or license knowledge created by SMEs or public research institutions, reserving other budgets as Pisano (1997) says for speedy manufacturing and distribution, itself a competitive advantage. The ideology of residential care is now widely replaced by forms of independent living, opening new markets for pharmaceutical companies.

Economic power brings political power (Mill 1859); the *medical-industrial complex* is self-serving and associated with NPM. Alford (2009) highlights (a) professional monopolists, legitimises power relations of top doctors, (b) corporate, complex and costly administrative structures, (c) community with unmet needs. The state plays a key role in all healthcare models (regulation, standards, governance), sometimes directly, as in the UK NHS. The continued dominance of capitalists over healthcare is challenged (Poulantzas 1973; Carchedi 1987, 1991) say, including the implementation of reforms under working-class pressure, shapes the framing of agendas and ideology.

State Public Services and Healthcare

Healthcare, both public and private sector, relies on the private sector benefiting from people and infrastructure paid for by the public sector (Pollock 2017). In the USA, Medicare and Medicaid cross-subsidise the private sector, disadvantaging the poor. Laws (1976) says Blue Cross and Blue Shield are inadequately regulated with costs spiralling, creating private profit off the back of a public system, and that USA public hospital become sinks to avoid.

Marxists are concerned that the capitalist state legitimises private healthcare allowing privileged access for the rich. Health is a collective problem; individual responses inappropriately embed discrimination. The medical-industrial complex if not abolished allows pharmaceutical, insurance and private healthcare providers to profit from a market that can readily be socially de-constructed giving a public monopoly and equal rights for all (Waitzkin et al. 2021). Private companies are allowed by the state to access public service health databases but fail to ensure that health data of all citizens are available for AI and big-data enabled service innovations and at hospital level, vertical and horizontal information flows supporting efficient systems as Kinder and Burgoyne (2013) advocate. State activities sometime support medicalisation (a pill-for-every-ill) healthcare, a non-dialectical unifactorial approach to health instead of viewing the whole person in their social setting as the base for ill-health diagnoses, ignoring pollution and negative workplace conditions. The 10 years less life in Glasgow compared with Chelsea is not the result of individual decisions, redressing social inequities such as this require a Marxist whole-social person approach to health. Yet instead of investing more in poorer areas, neoliberals advocate higher spending in richer area, via private medicine, while the State hollows out public healthcare services (Jessop et al. 1994) and USA insurance-based health companies seek to export their private healthcare model. This persists despite, as Andersen (2021) shows, rising health inequalities in the USA. Instead of public-funded care for all, tax rates for the rich have been halved or abolished (e.g., inheritance taxes), resulting in the bottom 60% of the USA population owning only 2% of the wealth, while 40 million Americans have no medical insurance, no access to healthcare and are turned away from ambulances and hospitals (Piketty 2020).

Jansson (2013:209) notes, *Economic growth is not a means to the end of health, education and care (HEC) service advancement*. Non-transportability means cannot import HEC. In summary, private service costs (salaries) rise, so too do public service salaries (costs), the issue then isn't total GDP, rather its distribution: the % of taxes necessary to fund HEC must rise or their quality and access will fall. Raising taxes, not technical progress defends HEC: wrong to suggest that growth means we can have low taxes AND HEC (see Easterly 2013).

Galbraith (1995) argued that middle-class tax payers had reached a *culture of contentment* and were unprepared to pay higher taxes to fund public health and other services. Alternatively, Jansson (2013) argues that politicians are at fault for not arguing the case for higher taxes to fund health, education and care (HEC) services, which would also provide employment for the 40% of jobs Ford (2016)

suggest is at risk from the introduction of AI and other labour-saving technologies. For Soper (2020) many mental health problems trace back to consumer anxiety and the hedonistic lifestyles encouraged by capitalist consumerism.

13.3.2 Scientific Knowledge and Ideology in Health and Healthcare

The unprecedented western economic growth can satisfy basic human needs (Veblen 1904), with it, Fogel and Engerman (1974) says, the value of good health and leisure time increases. Health is increasingly medicalised as a commodity service: biology will fix it, a pill-for-every-ill. This is reductionist, ignoring the social conditions giving rise to ill-health. Friedson (1994) refers to the *excellence of deception* that knowledge about health is confined to medical practitioners and calls for the democratisation of medicine: demystifying doctor-power, explaining and negotiation patient pathways (Holman 1976). This critique is limited to the individual whereas for Marxists, social medicine draws attention to the root causes of ill-health, namely the social conditions that perpetuate it and the unequal distribution of medical knowledge and technologies to poorer countries. Disconnecting health from wealth and profit enables a social critique, also addressing the metabolic rift capitalism creates in the natural environment. Medical technological advances while welcome cannot alone address health inequalities.

13.3.3 Marx and Engels on Disability

This discussion employs the term disability, knowing that alternative terminologies exist, such as Thomas' (1999) *impairment effect*. In some societies disability may be interpreted as a discreditable stigma, this is not the intention here.

Disability as a Social Construction

Often unacknowledged, Marx and Engels' original framework on disability and disabled people continues to be influential. Bengtsson (2017) says they invented sociology as a social science: an epistemological approach, insisting that social relations are a human construction part of a social superstructure dialectically interacting with an economic basis controlled by bourgeois ownership of the means of production. Social arrangements are not naturalistic: what is man-made can be altered, Ilyenkov (2020) insists.

This social model, Traustadóttir and Kristiansen (2004) point out is multi-factorial and dialectical, looking at the whole person and what (perhaps with

assistance) they *are* capable of—dialectically exploring multilayering and interpenetrative dimensions of the person and the job or home functionalities. This applies, as Goodley (2014) points out, to those excluded by capitalism: Marx's concern is for all humans, including Coburn (2015) and Collyer (2015) say, those who cannot work due to physical or mental disability. Exclusions often use an additive model (deaf and dumb), better as Collins (1990) argued to analyse a *matrix of dominance* within the social model of which disabilities have most effect. We all have differential capabilities and would reject a bio-medical classification (Filc 2004) that relies on simplistic categorisation. Normalcy, Foucault (2006) emphasises is historically and culturally grounded. In judging disabled people simply by their value-added relative to a 'normal' person, neoliberalism only highlights their view of people only as labourers, when For Marx as Gustavsson (2004) reiterates, each person is whole social being (albeit alienated).

Disablement occurs from the material conditions of life-as-lived inside and outside of work (Abberley 1997; Worsley 2002) and results in barriers Shakespeare (2006) argues, to both work and social life. Social exclusion, Hughes (2002) says, can be turned into social inclusion. This social model explanation of disability, as Vernon and Swain (2002) emphasise, is part of Marx and Engels' heritage. As the labour movement has expanded its scope, Finkelstein (1991) says, overcoming disability barriers and discrimination has become a central demand. However, across cultures the meaning and social opprobrium attached to disability varies. Only after 1949 have Chinese prejudices against disability been challenged (Campbell and Uren 2011; Zhao and Zhang 2018).

Disability from Marx and Engels' Work

For Marx and Engels, humans are separated from animals by consciousness (architect and bee, V-1:120), which supports human agency by interweaving the physical and cognitive, giving humans the ability to labour with natural artefacts and create value. Non-alienated humans (1844) gain satisfaction and contribute socially by controlling the product of this labour, enjoying respectful recognition in relation with other people and act sustainable with nature. Marx (V-I:113) draws on a philosophical tradition since Aristotle, distinguishing between potential and actual—that which exists and that which could exist—using this to support his argument that non-alienated humanity could exist if capitalism were stopped from alienating. Part of human potential, Worsley (2002) argues, is inventing new technology, ways-of-working and institutions: creativity, curiosity and experimentation (problem-solving). Instead capitalism suppresses creativity, preferring a disciplined workforce, an *appendage to a machine*.

Capitalism robs labour of its potential physical and intellectual capabilities, including (V-3:182) *waste of the worker's life and health*; speedups, longer hours, children working; quick fingers or accident in loom; V-1:465 *as a rule, stunted in growth, ill-shaped and frequently ill-formed*. Class rule creates disability. Marx refers to working in dust, a *shoddyhole*, with children working 30-h shifts and the

loss of sight and cerebral functions. He refers to the match-girls (making matches for ignition) exposed to chemicals causing lockjaw, mothers dragging tired children into the factory to work, pregnant women lift heavy loads. What Marx refers to as *residual* groups of workers are those finding work difficult (V-3:450): orphans and pauper children, the *demoralised and ragged*, the sick elderly, widows with children. He notes how capitalism includes all non-working groups in its IRA, pulling them into work if needed. Disabled people have not chosen their disability, while lifestyle choices often cause people to slip into the lumpen-proletariat, often ruffians, petty criminals, an under-class of neither producers nor consumers having eroded agency. While pointing out how capitalism materially creates disability, he saw as impossible (in his day) to sue employers for damages.

Chapter 15 discusses in detail *recognition* and *respect* (Taylor 1994) and Honneth's (1995) struggle for recognition; Klikauer (2016) draws attention to mis-recognition, non-recognition, de-recognition and pathological mass-recognition, calling for Nordic levels of welfare supporting people with disabilities. This sounds fine, except it shows how abstracted from the reality referencing depoliticised public services those influenced by the Frankfurt School can become. Schweiger (2020) offers a more realistic outlook that includes working-class struggle to provide services and support for disabled people.

Marx focuses on those (working, organised) elements of the working-class able to act as change agents, destroying capitalism; as Oliver (2009) points out he stratifies the working-class by those working, though, as Yates (2018) notes with the constant theme of ending alienation for all, his humanity jumping out of every page and all his socialist activities. Democratic medicine (Greco et al. 2015) also applies to disabled people since they can be important in achieving assistive changes at work or in the home. We cannot support Illich's (1976) idea of *iatrogenesis* (meaning harm done by doctors and a rejection of their expertise). Like all expertise it is best subjected to democratic accountability. For example, in 1930 Scotland doctors campaigned for fluoridisation of water to protect children's teeth, while leftist group ran anti-fluoride campaigns urging improved social conditions. Was this an unnecessary binary when both policies have merit?

Marx and Engels humanism insists that all humans are valuable, irregardless of ability and capability of working for capital: 'normal' is a social construction—one best dumped.

13.3.4 Marxism, Reformism and Struggles for Reforms

Chapter 18 presents a full critique of reformism. Here we note that liberal critics such as Piketty on wealth inequality and Maryville (2023) and Mathews (2019) on health inequality address only the symptoms of the disease that is capitalism. Rejecting neoliberalism is not enough, Marxism calls for a dialectical investigation into the germ-cell, root causes of problems and their eradication. Ill-health is complex and multifaceted problem, taking different forms across levels of development

and cultures. Neither biological determinism nor technological optimism provides answers to what are class-based social issues, calling for social medicine solutions.

South African Example

In the early 1990s South Africa was falling apart, suffering an international investment and trade boycott, apartheid laws constantly being challenged and an alternative leadership, the ANC led by Mandela in waiting. In this pre-revolutionary situation Mandela began negotiations with the fascist NP Government for free elections, anticipating ANC victory. The ANC, never socialist, dropped nationalisation of banks and major companies and persuaded that liberal democratic SA needs international investment and trade, fearing international finance market rejection. An alternative strategy was to pursue a dictatorship of the proletariat. Instead, the ANC Government retained the state structure with some reforms in housing and education. Public services remained in crisis (healthcare, housing, water, utilities, schools) and infrastructure only slowly improving. An elite of 0.01% (3500 individuals) owns about 15% of all South Africa's wealth, while the top 0.1% owns 25%, including a few *black diamonds*. Incomes in Gauteng (Johannesburg and Pretoria) are double those in mostly rural provinces like Limpopo and the Eastern Cape. Youth unemployment stands at 47%, with over five million young lives blighted. Neoliberal (low tax, low public services) attract only small amounts of inward investment (Government of SA 2002). An opportunity or socialist change lost. Of course the ANC is preferable to apartheid government, socialist change is preferable including healthcare for all.

13.3.5 *Healthcare in Socialism*

China's healthcare is work-in-progress. Two of the many things westerners misunderstand about China are (a) the significant power held by Provincial Councils. Xiao et al. (2013) note that China is not a monolithic polity and (b) how deeply embedded in Chinese culture are pragmatic notions of experimenting/trialling. Since 2003, economic development has enabled China to roll out healthcare to its 700 million rural residents (Wagstaff et al. 2009) who can now afford subsidised procedures and pharmaceuticals. This rapid rollout (Liu et al. 2008) and scaling up of service quality and quantity (Husain 2017) has only been possible because decentralised and different models have been encouraged to spend the additional resources and eradicate perverse incentives, such as over-prescribing (Liu 2016). In 2009, the State Council of China released the guidance and plan for a new round of health reform as a unified a system of diversity (Xinhua 2016). Diversity arises from experimentation (Meessen and Bloom 2007), learning and adapting to what suits different towns and districts, as noted by Yip and Hsiao (2008) and Wang (2009). This has contributed to creating what Bakken (2000) terms an 'exemplar society', aiming to say

goodbye to what Mao Zedong called the *God of Plague*. Husain (2017) details high levels of experimentation and innovation in healthcare in China.

As Zhang (2023) acknowledges, China's healthcare systems remain work-in-progress, as the economy and technology advance so too will the healthcare system. Already, along with abolishing absolute poverty, universal healthcare China is transforming towards the 2049 high-income society goal. Between 1965–75 life expectancy at birth rose 50 to 64 and child mortality halved; lauded by WHO. Even in 2000 many rural areas did not have the sufficient doctors they now have: life expectancy has risen to 78 (2021) exceeding the USA falling average. Spending on healthcare has doubled to 6% of GDP increasing beds and doctors closing the rural/urban gap (Meng et al. 2019). President Xi Jinping refers to healthcare improvement as a *historic rise*. He points to wider social health, not narrowly medicalised western notions of health but *big health* (*da jiankang*). With improvements come rising expectations for spending and quality of care. The insured scheme still takes some 8% of average household budgets, patients bearing between 20% of costs (Bengtsson 2017). 10% of the costs of the 11,465 public hospitals comes from central Government, other revenues from selling check-ups, drugs, consumables. Amongst the WIP issues are public hospitals prioritising costs over care. Targets include oversupply (e.g. caesarean births) and over-prescribing. Private hospitals are now 15% of the total (35,000). China's social medicine was illustrated by Covid with 83,000 deaths, USA 1,200,000. Overall, the progress in healthcare in the Chinese worker's state is clear: work-in-progress, yes. Progress, yes.

13.4 Conclusions and Marxist Contribution

This chapter has evidence rising inequalities within and between countries in wealth and health exacerbated by neoliberal policies. Whilst noting the empirical evidence from Piketty, we reject his reformist proposals that would leave capitalism exploitation intact. Indeed, a short discussion on reformism, taking South Africa as an example, underlines the point that the germ-cell causes of health inequality need to be addressed as the only long-term solution.

Marx and Engel's contributions to understanding health inequality are profound as they point to multi-factorial causes of ill-health, argue for disability to be interpreted using an alienation framework and justify a social medicine approach to healthcare—insisting that the root causes are identified. These include, from Engel's *Conditions*, industrial diseases, toxic substances, long hours of work in addition to living conditions and working-class diet. They point out that capitalism is only interested in the well-workers who can create SV, with neoliberal policies showing capitalism's absence of care for those outside the workforce. Their humanism shines through expressing concern for all people, advocating in today's terms universal, free, high-quality healthcare for all. As the distribution of the Covid vaccine illustrated, capitalist governments continue to discriminate against developing countries

and adopt policies condemning some of their own people to death. Leapfrogging opportunities for developing states arise from technological advances such as AI.

Having rejected bio-determinism, while accepting cultural differences in defining absence of bad health, Marx also rejects technological determinism as a solution to health inequality, insisting that social choices and class divisions are the root cause of ill-health. Figure 13.1 suggests different current models of healthcare.

In some detail the use of lean techniques in health services was explored, such techniques and technological advances offer opportunities for developing countries to leapfrog beyond unaffordable healthcare systems into providing wider access and quality of service. These include technological advances in pharmaceuticals, ICTs, AI and intermediate technologies. As with all healthcare systems the ethics of care (consent, openness, accountability and democratic medicine) remain important. We note that the richest country, the USA, has an inefficient healthcare system that denies quality of care to many citizens. This was contrasted with healthcare in the early USSR, Cuba and China, where citizens enjoy(ed) high quality, accessible, free healthcare. Having noted trends in healthcare, many of which are neoliberal and negative, we return to Marx and Engels' path-breaking contributions highlighting social medicine and dialectics in healthcare.

References

- Abberley P (1997) Disability, handicap and society: the concept of oppression, Apr 15
- Acemoglu D (2015) Why nations fail: the origins of power, prosperity and poverty. Cambridge University Press, Cambridge
- Acemoglu D, Robinson JA (2002) The political economy of Kuznets. *Rev Dev Econ* 6(2):183–203
- Adler-Bolton B, Vierkant A (2022) Health communism: a surplus manifesto. Verso Books, London
- Alford J (2009) Engaging public sector clients. From service delivery to co-production. Macmillan, New York
- Allende S (1939) La Realidad medico-social chilena. Ministerio de Salubridad, OPrevision y Asistencia Social, Santiago
- Andersen K (2021) Evil Geniuses: the unmaking of America – a recent history. Random House, London
- Bakken B (2000) The exemplary society – human improvement, social control and the dangers of modernity in China. Oxford University Press, Oxford
- Batta A, Kalra BS, Khirasaria R (2020) Trends in FDA drug approvals of the last 2 decades. *J Med Prim Care* 9(1):105–114
- Bengtsson S (2017) Out of the frame: disability and the body in the writings of Karl Marx. *Scand J Disabil Res* 19(2):151–160
- Borg E, Policante A (2022) Mutant ecologies – manufacturing life in the age of genomic capital. Pluto Press, London
- Bourdieu P (1984) Distinction. Routledge, Abingdon
- Buolamwini J, Gebru T (2018) Gender shades: intersectional accuracy disparities in commercial gender classification. Conference on fairness, accountability and transparency, Jan 21, pp 77–91. PMLR
- Caldwell C, Brexler J, Gillem T (2005) Lean-Six Sigma for healthcare. ASQ Quality Press, Milwaukee

- Campbell A, Uren M (2011) "The Invisibles" ... disability in China in the 21st century. *Int J Spec Education* 26(1):12–24
- Carchedi G (1987) *Class analysis and social research*. Blackwell, Oxford
- Carchedi G (1991) *Frontiers of political economy*. Verso, London
- Carson WG (1982) *Other price of Britain's oil: safety and control in the North Sea*. Pluto Press, London
- Castells M, Himanen P (2002) *The information society and the welfare state – the Finnish model*. Oxford University Press, Oxford
- Cath C (2018) Governing artificial intelligence: ethical, legal and technical opportunities and challenges. *Philos Transact R Soc A Math Phys Eng Sci* 376(2133):1–8
- Chung JJ (2014) Better science and better race? Social Darwinism and Chinese eugenics. *Hist Sci Soc* 105(4):793–802
- Coburn D (2015) Vicente Navarro: Marxism, medical dominance, healthcare and health. In: Collyer F (ed) *The Palgrave handbook of social theory in health, illness and medicine*. Palgrave Macmillan, Basingstoke, pp 405–423
- Collins PH (1990) *Black feminist thought: knowledge, consciousness, and the politics of empowerment*. Routledge, New York
- Collyer F (2015) Karl Marx and Frederick Engels: Capitalism, health and the healthcare industry. In: Collyer F (ed) *The Palgrave handbook of social theory in health, illness and medicine*. Palgrave Macmillan, Basingstoke, pp 35–58
- Cooper M (2008) *Life as surplus: biotechnology and the capitalism in the neoliberal era*. University of Washington Press, Washington, DC
- Cooper C, Rasmussen LM (2019) Citizen science ethics. *Cit Sci Theory Pract* 4:1
- Dabla-Norris E, et al (2015) *Causes and consequences of Income Inequality: a global perspective*. IMF Staff Discussion Note
- Daston L (1988) *Classical probability in the enlightenment*. Princeton University Press, Princeton, NJ
- Daston L (2003) *The faces of nature in enlightenment Europe*. Springer, Berlin
- Davenport TH (2014) *Big data @ work*. Harvard Business School, Boston, MA
- Deming WE (1982) *Out of the crisis*. MIT Press, Cambridge, MA
- Dewey J (1925) *Experience and nature*. Open Court, Chicago
- Diakopoulos N (2016) Accountability in algorithmic decision making. *Commun ACM* 59(2):58–62
- Diamond J (2011) *Collapse: how societies choose to fail or survive*. Penguin, London
- Dickens P (2000) *Social Darwinism*. Open University Press, Buckingham
- Doudna JA, Charpentier E (2014) The new frontier of genome engineering with CRISPR-Cas9. *Science* 346:6213. <https://doi.org/10.1126/science.1258096>
- Dubos R (1959) *The mirage of health*. Anchor, New York
- Easterly W (2013) *The tyranny of experts*. Basic Books, NY
- Ehrlich BH (2002) *Transactional six sigma and lean servicing*. St Lucie Press, New York
- Engels F (1844) *Outlines of a critique of political economy*. *Deutsch-Französische Jahrbücher* 1:1–7
- Esping-Andersen G (1990) *The three worlds of welfare capitalism*. Polity Press, Cambridge
- Eubanks V (2017) *Automating inequality: how high-tech tools profile, police and punish the poor*. St Martin's Press, New York
- Filc D (2004) The medical text: between biomedicine and hegemony. *Soc Sci Med* 59(6):1275–1285
- Finkelstein V (1991) Disability: an administrative challenge? (The health and welfare heritage). In: Oliver M (ed) *Social work: disabled people and disabling environments*. Jessica Kingsley, London, pp 19–39
- Fogel RW, Engerman SL (1974) *Time on the cross: the economics of American Negro slavery*. WW Norton & Company, New York
- Ford M (2016) *The rise of the robots – technology and the threat of mass unemployment*. One World, London
- Foucault M (2006) *History of madness*. Routledge, London
- Friedson E (1994) *Professionalism reborn*. Polity Press, Cambridge

- Galbraith JK (1963) *American capitalism: the concept of countervailing power*. Penguin, London
- Galbraith JK (1972) *The new industrial state*. Houghton, Boston, MA
- Galbraith JK (1995) *The world economy since the wars*. Mandarin, London
- George ML (2003) *Lean six sigma for service*. McGraw-Hill, NY
- Giddens A (1973) *The class structure of advanced societies*. Barnes and Noble, New York
- Goldratt EM, Cox J (1993) *The goal: a process of ongoing improvement*. Gower, Aldershot
- Goodley D (2014) *Dis/ability studies: theorising disablism and ableism*. Routledge, London
- Gopalan K, Mitra K (2008) How Nano was built. *Business Today*, January 22
- Greco M et al (2015) Democracy-based consensus in medicine. *J Cardiothorac Vasc Anesth* 29(2):506–509
- Gustavsson A (2004) The role of theory in disability research – springboard or strait-jacket? *Scand J Disabil Res* 6(1):55–70
- Hill D (ed) (2013) *Immiseration capitalism and education: austerity, resistance and resistance and revolt*. Institute For Education Studies, London
- Holman HR (1976) The “excellence” deception in medicine. *Hosp Pract* 11:11–21
- Honneth A (1995) *The struggle for recognition – the moral grammar of social conflicts*. Polity Press, Cambridge
- Hughes B (2002) Disability and the body. In: Barnes C, Oliver M, Barton L (eds) *Disability studies today*. Polity Press, Cambridge, pp 58–76
- Husain L (2017) Globalisation and health, 13, article 54. <https://globalizationandhealth.biomed-central.com/articles/10.1186/s12992-017-0277-x>
- Illich I (1976) *Medical nemesis*. Pantheon, New York
- Ilyenkov E (2020) *Intelligent materialism – essays on hegel and dialectics*. Haymarket, Chicago, IL
- Immelt J, Govindarajan V, Trimble C (2009) How GE is disrupting itself. *Harv Bus Rev* 87(10):56–65
- Jansson JO (2013) *The economics of services – micro-foundations, development and policy*. Edward Elgar, Cheltenham
- Jessop B (1994) The transition to post-Fordism and the Schumpeterian welfare state. In: Burrows R, Loader B (eds) *Towards a post-fordist welfare state?* Routledge, London
- Kaivo-Oja J, Kinder T, Stenvall J (2024) Key trends of tangible and intangible products in public sector production in some OECD countries: intangibility and the obfuscation of public service productivity. *J Econ Cult*, forthcoming
- Kelman S (1971) Towards a political economy of health. *Inquiry* 8:30–38
- Kinder T (2000) A sociotechnical approach to the innovation of a network technology in the public sector – the introduction of smart homes in West Lothian. *Eur J Innov Manag* 3(2):72–90
- Kinder T (2004) Usable networked technologies supporting complex services for non-networked people. *Probl Perspect Manag* 1(1):22–54
- Kinder T (2012) Learning, innovation and performance in post-new public management of locally delivered public services. *Public Manag Rev* 14(3):403–428
- Kinder T, Burgoyne T (2013) Lean and learning in healthcare services. *Financ Account Manag* 29(3):271–290
- Kinder T, Lancaster N (2001) A sociotechnical model for formulating a sub-national region economic development strategy: building absorptive capacity in a learning region. *Sci Public Policy* 28(1):23–40
- Kinder T, Stenvall J (2023) A critique of public service logic. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2023.2182904>
- Kinder T, Klaes M, Molina A (1999) Sociotechnical alignment in the build-up of a telemedicine constituency in Scotland. *Sci Public Policy* 26(6):415–435
- Kinder T, Six FE, Stenvall J, Memon T (2018a) Governance, trust and learning – a new framework and study of governance as legitimacy in Finland and England. International symposium on implementing collaborative governance. The University of Palermo (Italy) 25th–26th, October, 2018

- Kinder T, Stenvall J, Memon A (2018b) Play at work, learning and innovation. *Public Manag Rev* 21(3):376–399
- Kinder T, Six F, Stenvall J, Ally Memon A (2020) Governance as legitimacy: are ecosystems replacing networks? *Public Manag Rev*. <https://doi.org/10.1080/14719037.2020.1786149>
- Kinder T, Six FE, Stenvall J, Ally Memon A (2021) Relational leadership in collaborative governance ecosystems. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2021.1879913>
- Kinder T, Stenvall J (2024) Problem-solving and learning for public services and public management – theory and practice. Springer, Cham. <https://doi.org/10.1007/978-3-031-43230-9>
- Klausen J (1998) War and Welfare: Europe and the United States, 1945 to present. St Martin's Press, New York
- Klikauer T (2016) Negative recognition: master and slave in the workplace. Thesis Eleven 132(1):39–49
- Kolb D (1984) (2019) Experiential learning: experience as the source of learning and development, Englewood Cliffs, Prentice Hall, NJ
- Koskimies E, Kinder T (2022) Mutuality in AI-enabled new local public service solutions. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2022.2078501>
- Koskimies E, Stenvall J, Kinder T, Leikas D, Nieminen J (2023) Artificial intelligence and Public Innovations, Chapter 5. In: Väyrynen H, Helander N, Jalonen H (eds) Public innovation and digital transformation. Routledge, London
- Krafcek JF (1988) Triumph of the lean production system. *Sloan Manag Rev* Fall: 41–51
- Kripalani S, Jacobson TA, Mugalla IC, Cawthon CR, Niesner KJ, Vaccarino V (2004) Health literacy and the quality of physician-patient communication during hospitalization. *J Hosp Med* 5(5):269–275
- Kuoppakangas P, Kinder T, Stenvall J, Laitinen I, Ruuskanen O-P, Rannisto P-H (2019) Examining the core dilemmas hindering big data-related transformations in public-sector organisations. *J Public Adm Police* XII 2:131–156
- Lafond SCA, Roberts A (2017) A perfect storm: an impossible climate for NHS providers' finances. The Health Foundation, pp 1–16
- Lanckester ER (1907) The kingdom of man. Archibald Constable & Co, London
- Laws S (1976) Blue Cross: what went wrong. Yale University Press, New Haven
- Lazonick W, Shin J-S (2020) Predatory value extraction: how the looting of the business corporation became the US norm and how sustainable prosperity can be restored. OUP, Oxford
- Lehtonen K, Laine K (2020) Creating new sport policy – the case of Finnish Schools on the move program. In: Tin F, Telseth J, Tangen O, Giulianotti R (eds) The Nordic model and physical culture. Routledge, London, pp 21–35
- Lenin VI (1920) Left-wing Communism – an infantile disorder, collected works, V-31. Lawrence and Wishart, London
- Leonard C (2014) The Meat Racket: the secret takeover of America's food business. Simon & Schuster, New York
- Levins R, Lewontin R (2009) The dialectical biologist. Aakar Books, Delhi
- Levitt T (1972) Production-line approach to services. *Harvard Business Review*, Sept–Oct
- Levitt T (1976) The industrialization of service. *Harvard Business Review*, Sept–Oct
- Lewontin R (1993) Biology as ideology. Harper-Collins, New York
- Liebowitz J (2013) Big data and business analytics. Taylor and Francis, New York
- Liker JK (1996) Becoming lean: inside stories of US manufacturers. CRC Press, New York
- Liu (2016) Mao Zedong and the medical and health work in the New China. *Exten Surv CPC's Hist* 5:4–9. [in Chinese]
- Liu Y, Rao K, Wu J, Gakidou E (2008) China's health system performance. *Lancet* 372:1914–1923
- Lysaght T, Lim HY, Xafis V, Ngiam KY (2019) AI-assisted decision-making in healthcare. *Asian Bioethics Review*. <https://doi.org/10.1007/s41649-019-00096-0>
- MacDuffie JP (1997) The road to 'root cause': shop-floor problem-solving at three auto assembly plants. *Manag Sci* 43(4):479–502
- Marx K (1844) Economic and philosophic manuscripts of 1844. Routledge, London

- Maryville (2023) Social issues in healthcare: key policies and challenges. <https://online.maryville.edu/blog/social-issues-in-healthcare/>
- Mathews D (2019) Capitalism and mental health. *Monthly Review*. <https://monthlyreview.org/2019/01/01/capitalism-and-mental-health...n%20was%20an,around%20them%2C%20including%20fellow%20humans>
- Mayer-Schonberger V, Cukioer K (2013) *Big Data*. John Murray, London
- McKeown T (ed) (1971) An historical appraisal of the medical task, in *Medical history and medical care*. Oxford University Press, New York
- Medifind, Le Bao K, Cong TT, Anh TN, Duc MV, Le Hai TH, Thoai N. MediFind-A medicine detection framework for Vietnamese medical prescription. In 2023 International conference on advanced computing and analytics (ACOMPA), Nov 22 (38–45). IEEE
- Meessen B, Bloom G (2007) Economic transition, institutional changes and the health system: some lessons from rural China. *J Econ Policy Reform* 10(3):209–231
- Meng Q, Mills A, Wang L, Han Q (2019) What can we learn from China's health system reform? *BMJ* 365. <https://doi.org/10.1136/bmj.12349>
- Metcalf J, Moss E (2019) Owning ethics: corporate logics, silicon valley, and the institutionalization of ethics. *Data & Society Researchers*
- Mill JS (1859) *Dissertations and discussions*, vol 1. John W Parker and Sons, London
- Montgomery HE et al (2017) The future of UK healthcare: problems and potential solutions to a system in crisis. *Ann Oncol* 28(8):1751–1755
- Navarro V (1977) *Social security and medicine in the USSR: a Marxist critique*. Heath, Lexington, MA
- O'Connor J (1998) *Natural causes*. Guilford Press, New York
- O'Neil K (2016) *Weapons of math destruction: how big data increases inequalities and threatens democracy*. Penguin, London
- OECD (2014) *Health Statistics*, available at <https://www.oecd.org/en/data/datasets/oecd-health-statistics.html>
- Ohno T (1988) *Toyota production system*. Productivity Press, New York
- Oliver M (2009) *Understanding disability: from theory to practice*. Palgrave Macmillan, Basingstoke
- Paul DP (2006) Darwin, social Darwinism and eugenics. In: Hodge J, Radick G (eds) . *The Cambridge Companion to Darwin*, pp 214–239
- Pieper S (2004) Good to great healthcare. *Healthc Exec* 19(3):21–26
- Piketty T (2013) *Capital in the twenty-first century*. Harvard University Press, Cambridge, MA
- Piketty T (2014) *Capital in the Twenty-First Century*, translated by Arghur Goldhammer. The Belknap Press of Harvard University Press, Cambridge, MA
- Piketty T (2020) *Capital and ideology*. Harvard University Press, Cambridge, MA
- Pisano GP (1997) *The development factory*. Harvard University Press, Boston, MA
- Pollock A (2017) Tackling. Risks and harms. *Br Med J*, October, 356
- Poulantzas N (1973) *Political power and social classes*. Sheed & Ward and New Left Books, London
- Poulantzas N (1975) *Classes in contemporary capitalism*. New Left Books, London
- Prahalad CK, Hammond A (2002) Serving the world's poor, profitably. *Harvard Business Review*, September, 4–11
- Radnor Z, Walley P (2006) Lean on Me. *Public Finance*:17–19
- Rejón MR (2023) Two clashing giants: Marxism and Darwinism. *Open Mind*
- Sánchez P, Ricart JE (2010) Business model innovation and sources of value creation in low-income markets. *Eur Manag Rev* 7:138–154
- Scheidel W (2017) *The Great Leveller: violence and the history of inequality from the stone age to the twenty-first century*. Princeton University Press, Princeton
- Schubert M (2011) The 'German nation' and the 'black Other': social Darwinism and the cultural mission in German colonial discourse. *Patterns Prejud* 45(5):399–416. <https://doi.org/10.1080/00031322X.2011.624754>
- Schweiger G (ed) (2020) *Poverty, inequality and critical theory of recognition*. Springer, Berlin

- Shah A, Lerche J (2018) Preface. In: Shah A, Lerche J, Axelby R, Benbabaali D, Donegan RJ, Thakur V (eds) *Ground down by growth: tribe, caste, class and inequality in twenty-first century India*. Pluto Press, London
- Shakespeare T (2006) *Disability rights and wrongs*. Routledge, London
- Soper K (2020) *Post-growth living: for an alternative hedonism*. Verso, London
- Stenvall J, Kinder T, Kuoppakangas P (2018) Unlearning and public services – a case study with Vygotskian approach. *J Adult Continu Educ* 24(2):188–207
- Taylor C (1994) *The politics of recognition, in multiculturalism – examining the politics of recognition*. Princeton University Press, Princeton
- Thampi A (2019) Has the economy left the children behind? Nutritional immiserization in India, Chapter 8. In: Shaffer P, Kanbur R, Sandbrook R (eds) *Immiserising growth – when growth fails the poor*. Oxford University Press, Oxford
- Thomas C (1999) *Female forms: experiencing and understanding disability*. Open University Press, Buckingham
- Tikhonov V (2016) Social Darwinism as history and reality: “Competition” and “The Weak” in early twentieth-century Korea. *Crit Asian Stud* 48(3):315–337. <https://doi.org/10.1080/014672715.2016.1189839>
- Tirronen A, Kinder T, Stenvall J (2020) Learning in Finnish social work practice and research. *Br J Soc Work* 51:1–36. <https://doi.org/10.1093/bjsw/bcaa088>
- Tirronen A, Stenvall J, Kinder T, Tienhaara P, Rossi P (2020a) How to measure wellbeing in outcomes-based commissioning? *Lex Localis* 18(1):123–142
- Tooze A (2021) *Shutdown: how Covid shook the world's economy*. Viking, New York
- Traustadóttir R, Kristiansen K (2004) Introducing gender and disability. In: Kristiansen K, Traustadóttir R (eds) *Gender and disability research in the nordic countries*. Lund, Studentlitteratur, pp 31–48
- Veblen T (1964) *The instinct of workmanship and the industrial arts*. Augustus M Kelley, New York
- Vernon A, Swain J (2002) Theorizing divisions and hierarchies: towards a commonality or diversity? In: Barnes C, Oliver M, Barton L (eds) *Disability studies today*, pp 77–97
- Virchow R, Rather LJ (1985) *Collected essays on public health and epidemiology*. Science History Publications, New York
- Von Hippel E (1982) *The sources of innovation*. Oxford University Press, Oxford
- Wagstaff A, Lindelow M, Gao J, Xu L, Qian J (2009) Extending health insurance to the rural population: an impact evaluation of China's new cooperative medical scheme. *J Health Econ* 28:1–19
- Waitzkin H (1978) A Marxist view of medical care. *Ann Int Med* 89:264–278
- Waitzkin H and Working Group on Health Beyond Capitalism (2018) *Health care under the knife: moving beyond capitalism for our health*. Monthly Review Press, New York
- Waitzkin H, Pérez A, Anderson M (2021) *Social Medicine and the Coming Transformation*. Routledge, New York
- Wallace R (2016) *Big farms make big flu*. Monthly Review Press, New York
- Wang S (2009) Adapting by learning: the evolution of China's rural health care financing. *Mod China* 35(4):370–399
- Whyte D (2020) *Ecocide – kill the corporation before it kills us*. Manchester University Press, Manchester
- Wilkinson R, Pickett K (2018) *The Inner Level – how more equal societies reduce stress, restore sanity and improve everyone's wellbeing*. Allen Lane, London
- Willcocks L, Venters W, Whitley EA (2013) *Moving to the cloud corporation*. Macmillan, London
- Winter JS, Davidson E (2019) Governance of artificial intelligence and personal health information. *Digit Policy Regul Gov* 21(3):280–290
- Womack J, Jones D (1996) *Lean thinking*. Simon and Schuster, New York
- Worsley P (2002) *Marx and Marxism*. Routledge, London
- Wray LR (2016) *Why Minsky matters: an introduction to the work of a maverick economist*. Princeton University Press, Princeton

- Xiao Y, Zhao K, Bishai DM, Peters DH (2013) Essential drugs policy in three rural counties in China: what does a complexity lens add? *Soc Sci Med* 93:220–228
- Xiaoxing J (2022) The evolution of social Darwinism in China, 1895–1930. *Comp Stud Soc Hist* 64(3):690–721
- Xinhua. China moves ahead with medical insurance merger for urban, rural equality. Beijing: Xinhua. 2016. Available at: http://www.china.org.cn/china/Off_the_Wire/2016-01/12/content_37559070.htm. Accessed 12 Mar 2016
- Yates MD (2018) Can the working-class change the world? Monthly Review Press, New York
- Yip W, Hsiao W (2008) Market watch: the Chinese health system at a crossroads. *Health Affair* 27(2):460–469
- Zhang W (2023) China's health and health care in the 'new era'. *Monthly Review* 5(5):13–28
- Zhao X, Zhang C (2018) From isolated fence to inclusive society: the transformational disability policy in China. *Disabil Soc* 33(1):132–137

Chapter 14

Marx and Public Services for Cities



Abstract Cities, home now to most people, offer services, cultural activities, innovative thinking; also deprivation, alienating divisions of labour and declining public services because of neoliberal austerity as city infrastructures increasingly meet industry not social needs, especially so in developing countries trapped into importing foreign technology including social values. The concept of smart cities is critiqued as a neoliberal policy (faster but atomising) as are liberal approaches to city living such as Lefebvre, Fraser and Sennett that focus on transport and traffic flows, not value-flows. City waste policies are also critiqued including *rubbish belongs to poor* and the notion that capitalism will design for sustainability. An array of ecosystems for life are criticised: (a) creative industries; (b) mass sports; (c) growth and innovation (African jobless); (d) security; (e) residential care; (f) emergency services and then city democracy and how big investment decisions are taken. Finally, does *the city make us free*? Analysis of spatiality, planning and libraries suggests it could, but it does not.

14.1 Introduction

In Marx's day, public services were still confined to what Adam Smith (1776) described: the military, roads and bridges, a smattering of third-sector (3S) hospitals and schools. There were no public health services in poor working-class communities where he lived as a refugee. Four of his children died: Henry in 1850 aged 3, Jenny 1852 aged 1, Charles 1855 aged 8 and an un-named baby in 1857. Thankfully Laura/Tussy (born 1845); Jenny (died 1883), and Eleanor (born 1855) survived. Marx lived in a world where the working-class was insufficiently strong to extract public services reforms from capitalism and wrote little about it. He did note the massive shift from countryside landlessness to urban wage labour: between 1500 and 1700, only 5% of the global population lived in cities, today, about half the global population are urban, 83% in developed countries. To exist these urban dwellers rely on public services: education, health, transport, sewerage, water,

energy, social services are often delivered by the public sector. Public services result from working-class pressure or autocrat concessions buying compliance.

This chapter explores city living: its productivity and innovation and how collective solutions to collective problems (public services) perform relative to private (market-mediated) solutions to problems. Hence our journey explores the state politically and its role in providing public services. We examine public services in developed countries (just over 1-billion people, almost contiguous with the 5-Eyes core of the American Empire) and developing countries the 8-billion pushing, struggling, leapfrogging. A trap for developing states is that they attract inward investor and market access mainly by complying with neoliberal policies (low tax and few public services) when they desperately need improved health, education and infrastructure. This chapter then is about the consequences of the political state meeting globalisation and exploitative global value chains. Rodik's (2017) trilemma (two of democracy, growth and internationalisation) poses false alternatives. For Marxists, rejecting imperialist policy impositions is the route to modernisation and a better life for citizens. City-services is about meeting people's needs and why capitalism prevents it happening.

14.1.1 Structure

The chapter proceeds with usual structure surveying facts and then the Marxist interpretation of what is going on. It begins with a critical look at the so-called smart cities, city infrastructure, traffic and public transport, ecosystems for life such as arts, sports and innovation networks. Examining security services (private and public) is followed by discussion around the source and funds by cities. Marxists have a lot to contribute with a critical perspective on each of these public services from a value-flows viewpoint, service leapfrogging to create public value (PV), a critique of value-destruction theory, democracy in cities (including control of property and planning), space use and inequality and how public services shape cities.

Learning Objectives

LO-14.1: Like plants in a terrarium, cities are the microcosm of modern living. Marx like most people today was an urbanite. Yet he worried about the gulf between the city and the countryside and its effect on the metabolic rift of unsustainable demands on nature. He pointed to choices made in how capitalism cities are structured, the division of labour, choice of technologies, public services provided and the class conflict embedded in these choices. What alternatives exist; how can they be brought into being?

LO-14.2: Cities abstractly are flows of value. Clustering brings economies of scale and scope, acting as a cauldron of innovation and bringing together change coalitions. Dialectical interaction between capitalists and

working-class pressure mean cities can have the most advanced public services, reflecting the needs of modern living. Cities also cluster poverty and inequalities. How, when and why does class conflict in cities create public services suiting the majority or city scopes serving elite interests? Do city structures clash with working-class needs, how far are the needs of PV sacrificed to private accumulation?

LO-14.3: Cities bring together in shared space social relations of production and reproduction being the site of capitalism value production. Yet they are also the scene for revolutions and counter-revolutions battle over control of the local and national state and share of the social surplus. How are PV and public services distributed and shaped in this arena of social reproduction?

14.2 What Do We Know?

Linked by class conflicts and inequality, some of the issues facing cities are creating infrastructure to suit development, traffic and transportation, service networks supporting city living, security in the city and their source and use of funds. We begin with the idea of smart cities a vision affecting all of city living.

14.2.1 Smart Cities

Smart Cities: Vacuous Marketing Froth?

Utopian cities featuring smart social relations echo down the ages: Confucius, Plato, Moore, Campanella, Tönnies each emphasised relational *gemeinschaft* over impersonal *gesellschaft*. Mitchell (1995) popularised the idea of technologically enabled smart cities, using big-data analysis altering infrastructure to suit citizens, extending outwards into regions and (Nam and Pardo 2011) institutions. Sassen (2015) defines globally connected smart cities as including lawyers, bankers and technical innovators, perhaps with a polycentric or octopus design centred around a business area connected by radial transport links. For Cairncross (1997) the *death of distance* signifies the city becoming a platform technology and a new mode of production. For Zheng et al. (2020), arrangements for the economy, governance, living, people, environment and mobility are crucial. Yigitcanlar and Dur (2013) record seventy-eight definitions of smart city, boil it down to economy (productivity), society (livability, well-being), governance and environment sustainability, with public services hardly mentioned.

Liberal Critiques and Smart Cities

Smart cities as a vision promoted by big-tech companies gathering and selling our data in an orgy of consumption face extensive criticism from liberals. Green (2020) argues *smart* simplifies what is complex: especially the logic of digital (wired), intelligent (knowledge) then smart (user-friendly): uniformity when cities are culturally diverse: the modernist architecture Charley (2014) catalogues, ill-suited to their surroundings.

Social justice critiques of smart cities include Lefebvre's (1970) the *right to live in the city*, dismissal of Marcuse (2009) for over-emphasising consumption, and Kitchin (2014). Additionally, Wiesmeth (2018) and Safransky (2020) criticise inequality, leaving some (hidden) communities deprived or (Loos et al. 2020) say groups such as the elderly and disabled. Harvey's (1979) spatial critique points to social injustice in city layout, with Soja (2010) and Feinstein and Allen (2010) pointing to unequal representation enabling ghettoisation or gentrification. Peach (2023) argues social justice makes league tables of smart cities simply ridiculous.

Rosol and Blue (2022) believe these problems can be overcome by using Fraser's (2005) redistribution, recognition and representation as a framework for contextual evaluation, not pointing out this eradicates the comparative nature of smart. Cohen and Cohen (2015) similarly believe smart should be citizen-led or city-led (hard or soft infrastructure), while Derwort et al. (2019) focus on institutions and Wahab et al. (2020) on governance. As a technology project, Pali and Schuilenburg (2019) point to sacrificed privacy and autonomy, much like Orwell's (1984), Deleuze's (1990) *society of control* and Bauman and Lyon's (2013) critiques. Zosi et al. (2022) believe smart brings post-political governance. Rogan (2019) rejects intelligence as acceleration, preferring instead Lefebvre's *genitality* meaning the family, family unit and biological reproduction. White flight to suburbs distorts social cohesion. Few liberal smart city critiques even mention public services – is everyone rich? Jacobs (1970) notion of bottom-up, community-based living remains the strong liberal critique of smartness. Most powerful is Sennett's (2018) argument that emphasising the physical *ville* over the social *cite* *dumbs down its citizens*: reduced social interaction and diversity reduce innovation and the richness of human life. Liberal critiques address some symptoms of smart, when fundamentally it is a flawed framework, especially ignoring public services.

Marxist Criticism of Smart Cities

Just as Keynes' (1936) prediction that technology would bring untold leisure proved wrong, the smart city lacks any notion of societies divided by class and makes no mention of public services or alienated labour. Smart asks us to forget Engels *Conditions* and *social murder*, and Koetz's (2022) militarised control of rich neighbourhoods in some South American cities, weakened labour organisations and gated-communities for the rich. A fantasy world for big-tech companies having little relationship to social reality with its poverty, housing crisis and unemployment.

Smart city is an inadequate framework for analysing changes and the preferred vision of city living, as it ignores class divisions and presents a dystopian portrayal of cities bereft of social interaction and public services that provide social glue.

14.2.2 Infrastructure

Economistic and Euro-centric Views of Infrastructure

In economics textbooks the firm is surrounded by an ‘environment’ featuring infrastructure. This is variously characterised to include roads, ports, bridges, airports, and in recent years (Castells 1997) information and communications infrastructure—the internet, IoTs, Bluetooth and associated online e-commerce and logistics platforms, including those used in public services such as payments, bookings, complaints, planning application responses, and information distribution, i.e. one-way, two-way and multi-nodal network communications. American Civil Engineers bemoan lack of public investment, echoing Galbraith’s (1963) *private rich, public poor*, evidenced by periodic bridge collapses and breach of flood defences. US\$1-trillion is found each year for the Federal military budget.

Studies connect infrastructure and economic performance (Barro 1988; Aschauer 1989). Low infrastructure spend consigns an economy to low productivity (Dosi et al. 1988). An isolated socialist economy or one starting from a low base relies on Preobrazhensky’s (1926) primitive accumulation (Russia 1920) or (China 1978), accommodating its infrastructure to attract inward foreign direct investment. This is a simple production function: sacrificing consumption now (e.g. Japan 1945, Chinese big leap forward). Economistic views of infrastructure necessarily consign late-developers to a subordinate level unattractive to foreign capital.

Larkin (2013) argues for less emphasis on ‘hard’ technology, saying that neoliberal-imposed industrial infrastructure often becomes misaligned with political infrastructure, resulting in corruption. Sassen (2015) argues that for financial services clusters containing lawyers, accountants and bankers are important, however, she notes that high-level professionals pay attention to home infrastructure, such as travel, schools and cultural activities. Those areas lacking such facilities are prone to gentrification; those with capital being able to invest in upgrading housing and patronising more expensive shops, cafes, etc. De-valourised housing stock thus becomes affordable only to the rich, pushing out poorer residents.

Marxist View of Infrastructure

The State exists *Origins* (MECW-3:332) argues as a weapon of the ruling class, to protect private property (Anti-Dühring). Marx’s *German Ideology* (MECW—3:36) argues that part of superstructure is dependent on the economic base. For Draper (1977:258), infrastructure includes subsidiary functions such as sanitation and

disease control, slum clearance (*Capital*-I:657), borders, trade and judiciary. Infrastructure can appear non-class based when shaped to meet the needs of capital accumulation. Dialectically, super- and sub-structures interpenetrate, are created by and create each other. Not simply structural and functionalist (Althusser) or culture independent (Levi-Strauss). In practice, sub- and super-structures are co-constitutive, part of cities as urban assemblages.

Godelier (1978) distinguishes superstructure and infrastructure, which is more determining, what part of ideology is idealism and what part grounded in material reality and how violence and consent create legitimacy in class relations. He agrees with Althusser that superstructure and infrastructure are differentiated by function rather than institutional role. Infrastructure has been problematised (Rabinow 2003; Bateson's 1972)—relationships not 'things.' Embedded, transparent (and in breakdown), enables and links with practice, heritage but dynamic: doesn't confine to western cities (Collier and Ong 2003). Infrastructure is widely defined as an ensemble of material and social conditions and to prominently feature public services.

Godlier says that the distinction between infrastructure and superstructure pertains to functions, not the institutions, as Althusser claims. This echoes Marx's Preface to Critiques (1859:11) *The sum total of these relations of production constitutes the economic structure of society, the real foundation, on which rises a legal and political superstructure to which correspond definite forms of social consciousness.* This class perspective supports Rodgers and O'Neill's (2012) idea of infrastructural violence: processes and structures that discriminate and marginalise the poor; Engels' *social murder*. Infrastructure is a class, not a neutral category.

14.2.3 *Transportation and Cities*

Transportation Cost Benefits and Public Services

Transportation public services include roads, bridges and infrastructure for rail, trams, busses, taxis, perhaps specialist disabled transport, docks and air travel, costing, as Button (2022) says, 4% of GDP in developed countries and a higher percentage in developing countries. Families often spend 10% of their income on travel.

Private sector spending varies with the type of business, with friction costs reducing in international trade due to containerisation (Levinson 2008) and pipelines. Warehousing can be half total transport costs. Logistics planning impacts on private costs, for example empty backhauls. Some developing countries depend on tariffs (Ellner 2021); all developing countries face the costs of creating 'hard' transport infrastructure.

Managing Traffic and Technology

PM debate on transportation focuses on managing congestion (including CO₂ emissions) and technological solutions to the problem of too many vehicles. Urban congestion can cost 1% of GDP, contribute to CO₂ and nitrogen oxide (NO_x) emissions and result in 1.3 annual road deaths (Musa et al. 2023), many occurring in countries new to car ownership (Auerbach et al. 2018). Reduced congestion can halve noise levels by 2 dB-A. Anti-congestions policies include park-and-ride schemes, bans on school drop-offs, no-car or emission-control zones, congestion charging, rat-run barriers, carpooling, priority bus and cycle lanes, traffic calming and the segregation of pedestrians from traffic. Djahel et al. (2015) and Wolmar (2016) point out road-building is not the answer since traffic increases to the level of road capacity, with weather and traffic incidents causing 25% of congestion (US-DoT 2015). Queuing can take 60% of travel time in busy Asian cities. Market measures include road-pricing and Block (2011) privatising roads. Alternatives include bus lanes, trams and free public transport.

Smart traffic management often features in smart city projects. For Lee et al. (2007) and Troutbeck (2016) integrating transport systems is key to decongesting roads, requiring Misbahuddin (2015) intelligent traffic management systems, using Ravish and Rangaswamy (2021) big-data analysis and machine learning. This might include real-time traffic flow heat mapping with AI-enabled real-time analysis altering traffic signalling, lane use or speed on radial routes, electronic tolls, number plate recognition (transponder tags), road-side cameras, sensors parking direction and traffic flow modelling (Bhattacharya et al. 2017). These AI-enabled technologies rely on G5 WiFi coverage, also supporting drone delivery. Examples include Alibaba's *City Brain* system already installed in 23 Chinese cities and similar Huawei systems. So, congestion is the problem and smart technology the answer: this is not Marx's view.

Marxist View

Marx and Engels make three points relevant to transportation. Cities necessarily take more from nature than they return, creating negative externalities that widen nature's metabolic rift from food-in/waste-out activity (Engels 1873, *Housing Question*). They call for closer integration between countryside and town. This includes waste recycling and more city food growing—the new division of labour in Anti-Dühring (1877). They note in the *Communist Manifesto* that countryside rule by towns *rescued a considerable part of the population from the idiocy of rural life*, i.e. urbanised more people. This should be interpreted, as Draper (1987:344) argues, urbanity collectivises, while rurality atomises: capitalism can only be overturned by an alliance led by city working-class, akin to what Mao achieved. Perhaps smaller cities, more integrated with countryside food sources are preferable.

Lefebvre's (1961) *right to the city* and Harvey's (2008) city living as a human right emphasise inclusivity, but for Zukin (2011), they miss the point that

‘community’ is de-classed term. Market forces destroy working-class communities by gentrification and *pacification by cappuccino*. Gorgens and van Donk (2011) reject the liberal critique of cities, emphasising like Marx and Jane Jacobs (1969, 1984) bottom-up democracy. The Soviets aimed to reduce car traffic with low-fare trams, e.g. Hungary (Major and Machin 2018) or Khairullina and Ganges (2021) flexible bus networks, e.g. in the GDR and Czechoslovakia (Pucher 1990). In Russia, Fedor (1975) says, subsidised bus fares were used. Different models apply depending on heritage and circumstances.

A communist future may de-size cities and/or boost in-city food production. For now, socialists can ensure that public services meet working-class needs in areas such as transport by fighting for collective and not market or private solutions to problems, including accessible, low fares and integrated mobility. Public transport must be culturally and physically given priority over private moving towards car-free cities.

So, transportation and city planning should not solely focus on congestion and technological solutions; the deeper issue is mobility and town-countryside divide; reintegration is only possible with the abolition of classes.

14.2.4 *Ecosystems for Life: Waste Disposal*

Thompson (1979) says we cannot create value without creating waste, meaning socially constructed artefacts are either transient or durable: waste for Douglas (2002) is matter in the wrong place. Your discard is the waste picker’s treasure trove. Historically, scavengers rummage after a battle or feast: Victorian London’s bone-grubbers, mudlarks, dredgers, sewer hunters. The world’s cities annually produce 2-billion tonnes of solid waste. Waste segregation avoids landfill. Some goods increase in value with age (wine, paintings) others decrease in value (most cars) becoming waste (to the purchaser), or like fast-fashion clothing are designed to become waste. De-commodified items, assessed as zero value, become re-commodified if segregated and repurposed—Ingold’s (2000) *bricolage*: make do and mend.

Much of the 90-million tonnes of food waste in the EU is company waste from production processes, out-of-date stock or non-sale. Fast-fashion producers may donate out-of-date clothing to charity shops as marketing. France’s *Good Samaritan Law* offers legal immunity to food recycling companies attempting to reduce landfill, responding to the EU (2017) Circular Economy Action Plan. Waste (*muda*) for Japanese lean producers can be of time and inefficiency, it is wider than materials.

While forms of waste differ culturally, for pickers, metals and plastic always have value. Toys, electronics, spices, empty containers, ornaments or clothing can be sold or reused. What constitutes waste varies with class and income—Appadurai’s (1986) *regimes of value*. We are all waste pickers!

Smith (1776) included waste collection and disposal as one of the state functions taxpayers should support, including horse droppings. The UK spends £10-billion

per year on waste disposal, around £3 per week for each household. Landfill is discouraged by a tax of around £100 per tonne, encouraging segregation and recycling. Properly done, landfill can improve drainage.

Mechanised rubbish segregation is controversial. O'Hare (2018) narrates rubbish pickers in Montevideo with the slogan *Rubbish Belongs to the Poor* successfully resisting mechanised segregation; from their viewpoint, rubbish is commons that should not be privatised. In some cases (plastic bottles, mobile phones, aluminium cans) laws could enforce recycling, defining waste as an externality from private company activity that they should pay for and oversee systems of waste collection and recycling.

Landfill tax on solid waste (not sewerage, *dirty water*) incentivises Council segregation schemes (expensive picking) and incineration (polluting CO₂). Hygienic 'enclosed' rubbish collection excludes picking. Local authorities charge companies for collection, consumers pay via local taxes. Issues include the disposal of toxic waste (chemicals, needles, body parts), reuse of coal/shale-oil tips, illegal mining (Ghana/DRC), illegal logging (Indonesia, disguised as waste disposal) and fish discards.

Designed-in waste is a big issue: packaging, fast-fashion, fish discard and built-in obsolescence. Could consumers accept paying less for less packaging and less waste? William Morris advised, *have nothing in your house that you do not know to be useful or believe to be beautiful*. Adamson's (2018) *Fewer, Better Things* also challenges wasteful consumerism, he says, *smart objects are dumb and the dumb objects smart* referring to craft-produced artefacts: loved objects mediate close relationships carrying stories and feelings.

Marx's View of Waste

For Marx capitalism wastes humanity, tying people to mind-numbing work, often for wasteful products. Hence his commitment to economic and industrial democracy involves rational planning that avoids wasteful competition, over-production and periodic crises, which lead to wasteful unemployment. He constantly calls attention to fetishised commodities sold above labour-value, taking more from nature than it can sustainably replace, widening the *metabolic rift*. Marx had a life-long commitment to Liebig's (1842) organic farming and natural soil replenishment. As Engels noted in their day natural manure was simply *floated down the Thames* (see Chap. 3).

Public services are now central to waste processing. UK local Councils collect 53-million tonnes of untreated sludge from 8500 wastewater treatment works, 87% of which is recycled to agriculture, demonstrating Engels' scientific farsightedness. The Butterfield system in Zimbabwe uses this natural fertiliser in cattle-rearing, as does *mob grazing* in North Dakota and Western Australia, though land leasing there reduces long-term replenishment. Unfortunately, Monsanto and other artificial fertiliser companies control research and Ohlson (2014) says, waste-as-fertiliser results are suppressed, and 1930s dust bowls forgotten (Egan 2006).

14.2.5 *Ecosystems for Life: Creative Industries*

Castells (1997, 2009), Castells and Hall (1994), Castells et al. (2017) popularised the knowledge-based economy concept, centred on cities, exploiting information and communications technologies (ICTs) raising city productivity. Florida's (2002) creative class, later creative/cultural industries (CIs), joined debates on economic development strategies in neoliberal capitalism, connecting with debate on post-Fordist labour processes and servitisation. Chanan (2022) says that the UK's CI sector is growing at five times the rate of GDP, was valued at £112 billion in 2018 and supports two million jobs (9% of total, contributing 5% of GDP). CIs promise (a) new forms of labour celebrating curiosity, love-of-learning, work-satisfaction; (b) new work processes, experimentation, risk-taking, ambiguity, creativity, imagining; (c) new products from gaming to software and apps; (d) a social milieu attracting and retaining bright young people in the city; (e) visitors, tourists; (f) keep traditional culture alive (book on tradition; authenticity) and (g) cluster including the lawyers, funders, specialists who know the CI sector.

CI (creative industries) intermixes with ideas of a post-industrial society (Bell 1973; Luce 2017), knowledge-assets (Itami 1987; Cardon et al. 2009); with extrinsic motivation and flow from working in projects rather than for an organisation (Csikszentmihalyi 1996). For Goodhart (2017) the elite of CI workers are *anywhere*, not *somewhere* people, atop hour-glass labour markets based on qualifications, forming he says (2020) a *cognitive class* of *cognitive entrepreneurs*. CI staff solve problems (Arthur 2015), frequently change employer, often Pink (2009) says leadership positions. This glowing picture was tarnished by the 1999 and 2008 capitalism crashes; it is now reinvigorated by the creative prospects of (AI) artificial intelligence.

The CI model faces the same criticism (Peck 2005) as national or sectoral systems-of-innovation approaches—being descriptive; providing no causal explanation of what is happening and why. Montgomery (2005) says CI simply mirrors reality, without explaining formative processes. Despite often being small-state neoliberals, CI proponents justify front-end public investment in 'magnet' initiatives, citing Perroux's (1950) growth pole theory (*if we build it, they will come*), a Keynesian multiplier policy. Cost-benefit justification of CI projects is unreliable as Gibson (2005) and Hanson (2010) show; it can be manipulated to produce any desired multiplier outcome. The Guggenheim in Bilbao is an oft-cited success, attracting 1.3-million visitors, two-thirds from outside Spain, and US\$ 76-million tax revenues, offset against the cost of city transportation improvements. Attracting internationally mobile CI staff for private companies or the public sector depends on the quality of family living, including public services.

CI cluster-building relies on public services (universities, event-halls) and is now a favoured strategy in many cities (Stenvall et al. 2018). Originating in Marshall's (1890) agglomeration and Piore and Sable's (1984) Italian industrial districts, Porter (1990) popularised clustering as leveraging the *sticky knowledge* resulting from organic growth (Economist 2022) now attracting AI companies. CI clusters often

feature ‘hub’ facilities such as theatres, concert venues, libraries, also software, marketing, funding, recording studios, film studios: the ‘hard’ and ‘soft’ infrastructure public services provide. For Castells and Himanen (2002) clusters depend on ‘hackers’ or disruptors: people with novel, creative ideas. Big company withdrawing (IBM in Bangalore, Nokia in Tampere, Finland) may boost cluster-building. In developing countries, CI clustering is challenging if public services infrastructure is shallow (Hewett and Montgomery 2001) or if national/city tensions persist (Gough and Yankson 2001). Brockerhoff and Hewett (2000) find vibrant CI clusters in Cairo, Bangkok and São Paulo. Often social conflict or deprivation gives rise to creativity: The Beatles, Dickens, Niccolò Paganini did not begin rich.

For Marx (V-1: Chapter-23) services can form commodities, since as Sohn-Rethel (1978: 21) argues, like physical products, they alienate part of the value created, which is expropriated by a capitalist employer. Humanity’s essential nature for Marx is to be creative (Theses on Feuerbach), by making people an *appendage to a machine* capitalism denies creativity, an important cause of alienation, and extracts value from workers like a vampire, as Policante (2012) says. For Marx creativity is an expression of human freedom (Sayers 2003) and its denial resulting in alienation (Carver 2008). Daston (2004, 2017) historically surveys this human creativity and curiosity. Snobbishly, the Frankfurt School (Adorno and Hockheimer 1947; Adorno 1991) dismiss CIs as dumbing down culture for the masses, for Benjamin (1955) contaminating art.

Miège’s (1989) and Hesmondhalgh and Baker (2013) misrepresent Marx’s theory of alienation portraying TV shows as good or bad labour: a moral critique. Marx’s point is that cultural output as a commodity allows capitalist accumulation, whatever the ‘quality’ of the output. They join Ross (2000, 2009) in criticising precarious employment in CIs. Hesmondhalgh and Baker criticise self-employment (self-exploitation) in CIs, ignoring the fact that many trades are now self-employed. Their critique of CIs adds nothing. Lee (2013) and Pitts (2015) offer a good summary of CI literature, indicating why criticisms of Marx’s alienation theory are flawed. Self-exploitation, for Hesmondhalgh and Baker, in CIs is middle-class (neither owners nor employed and exploited by capital), perhaps self-employed tradespeople (electricians, scenery artists, museologists, groupies!)

Marx’s TRPF is *because* of rising OCOC (technological automation), criticisms of which Carchedi and Roberts (2023) answer. Pitts (2015) summary of post-capitalism illustrates why criticisms of Marx’s alienation theory are flawed. Cis, like all capitalist employment, can be both alienating and creative. It is often based on education and performance facilities as public services, they help democratise access to cultural experiences.

14.2.6 *Ecosystems for Life: Sports Facilities and Ecosystem*

Harry Braverman (1974:278) noted the value on free time placed by workers is often dedicated to sport. As Brohm (1989:56) argued, sport restores to mankind some of the functions which the machine has taken away, but only to regiment remorselessly in the service of the machine. Sport and keep-fit public services are important for physical and mental health (Wang and Makubuya 2018) and, as Iben and Levinsen (2019) note, in joint project between public services and professionals' clubs. Sports facilities are often publicly provided as collective goods.

Governments want both elite performance success and mass participation (Ferkins and Van Bottenburg 2013) sometimes contradictory, especially if central Government takes control of governance and resource allocation. As De Bosscher et al. (2015) note, both centralised and decentralised models deliver, however, over-centralisation sacrifices participation goals (Lucidarme et al. 2018), while looser arrangements deliver both goals (Grix and Phillpots 2011). Such arrangements include networks as Lehtonen et al. (2021); however, these too require centralised coordination and may limit volunteer participation and information transmission. Finland's ecosystem model aims to support both elite and mass sport participation using localised public facilities: arrangements requiring high trust levels, which as Six (2005) argues makes agents vulnerable, however, the advantage is building governance-as-legitimacy bottom-up (Kinder et al. 2019). Research by Lehtonen et al. (2021) shows that with trust both the elite and mass participation goals can be achieved using public sports facilities. Mafrolla and D'Amico's (2015) research in Italy confirms the physical and mental health benefits of mass sport participation, noting its dependency on public facilities such as gyms, playing fields, specialist centres and courts and pools.

Marx and Engels wrote little about sport, which they framed as free time, the nearest workers get to dis-alienation. Engels was sporty, often horse-riding or fencing. They rejected mind-body dualism calling attention to activities uniting the two, especially as alternatives to religious observance. Unhealthy living found in Engels' *Conditions* removed workers from their traditional country sports. In the *Grundrisse* (VII) Marx comments,

The saving of labour time [is] equal to an increase of free time, i.e. time for the full development of the individual, which in turn reacts back upon the productive power of labour as itself the greatest productive power.

Leisure, including sport for Marx is an activity of intrinsic value, not instrumental, leading him to bemoan (MECW-1:73) leisure becoming a consumer activity. As Hargreaves (1986) argued, as sports popularised, business interests move in, excluding much of the working-class. In Young's (1986) analysis, sports become just another commodity, with sports 'stars' also bought and sold (Zirin 2008). Leisure Marx system in V-1:514 should be uplifting *not only eating, drinking procreating*, commenting that the worker feels at home when not working. Sport and leisure allow workers creativity. Famously, in the GI (48) he calls for multidimensional leisure time: *to hunt in the morning, fish in the afternoon, breed cattle in the*

evening, criticise after dinner, just as I like, without ever becoming a hunter, a fisherman, a herdsman or a critic. This vision also connects to the transfer of colonialist culture (James 1963), such as cricket in the West Indies and Huizinga's (1938) *play spirit*. Play uses flexible rules and structures (Juul 2005; Paley 2009), transforming ordinary space into play space (Larsen 2015). Play can even involve *schadenfreude* (Sutton-Smith 1997). Here deep play (Kampmann 1997) is finding pleasure at work with mates resulting in new ideas. In Kinder et al. (2018a, b) at work, fun creativity innovation.

Ewan McCall's eulogy to hiking, The Manchester Rambler, contains the line: I may be a wage-slave on Monday, but I am a free man on Sunday! Wonderful.
<https://www.youtube.com/watch?v=xXU9k3GbxU>

Sadly, neoliberal cutbacks are reducing the sports facilities available as public services. Yet, as Marx argues, sports and especially participatory sport is a window into dis-alienated life. Sadly, much of spectator sport is now a commodified part of consumer culture.

14.2.7 Ecosystems for Life: Supporting Growth and Innovation

Mazzucato (2013) tries to argue that the capitalist state is value-adding and should therefore be supported. Marx fundamentally views the capitalist state as an instrument of class rule, while accepting that in public services, factory legislation and support for innovation and growth, the state performs subsidiary functions. As capitalism internationalised the state's role changes, supporting imperialist military interventions and a capitalist world order. In developing countries, the state is obliged by these institutions to adopt neoliberal policies (low taxes, business infrastructure) supporting inward investment.

One way the state supports capitalist businesses is through tax concessions to venture capital (e.g. offsetting capital gains). However, as Pisano (2006) points out, this can encourage short-termism, by launching the nearest product to market over those that, with more R&D investment, would solve more significant problems for citizens. Also, Pisano points a trend of major companies reducing in-house R&D spending and instead acquiring early stage companies with promissory products. Lazonic and Shin (2020) and Dore (1986) draw attention to large company share buy-backs instead of long-term spend on basic and applied research. From the computer (Flamm 1988) to the iPhone, breakthrough products have been state-subsidised as Mazzucato (2013) points out. Her take is that capitalism needs the state, the socialist might alternatively argue why do we need capitalism. For Marx continuous

technology and social innovation are essential feature of capitalist dialectics, including competition. Change occurs: at issue is in which direction and for the benefit of which class?

14.2.8 *Ecosystems for Life: Security*

Feeling secure and being secure are fundamental desires of citizens seeking an ordered city life, with aspirations for the rule of law, law enforcement agencies and locks on front. There is an ideological confusion between the right to private property, as in personal effects (perhaps a home, furniture, etc.) and private property in the form of capital used to exploit others; the two are quite distinct. When Marx speaks of abolishing private property, it is to capital used to exploit. Ideologically, proponents of capitalism seek to conflate the two types of property.

Security may be objective, as in cars stop when the green-person lights up, or subjective as in fear of redundancy or of criminals including online scamming. Insecurity leads to fear of illness or death and funeral costs to family—material issues. Specific insecurities arise for person-in-context from class, gender, ethnicity and age. These vary with stages of life: the young worry about housing, elderly health. Public services intend to reduce insecurity: police against crime, healthcare for illness, traffic management and surveillance for street safety. Sennett (1998) notes the corrosive effect of a widening industrial reserve army of labour (IRA), including public sector jobs: the insecurities of flexible employment, intermittent wages. Beck (1992) speaks of a *risk society* in which the risk-takers decide probabilities, while those suffering the consequences have no say. Similarly, Bauman's (2007) *Liquid Times* explores how neoliberalism brings uncertainty, drawing on Durkheim's (1893) *anomie*. Christophers (2018) *portfolio society* makes the point that international financiers now hold assets across the globe, including derivatives wholly disconnected from the material world, exposing all of us to a Ponzi pyramid of risk and periodic collapse. Trust, as the willing acceptance of vulnerability, as Six (2005) described, can be betrayed or eroded through misunderstandings. Insecurity evokes threats and dangers, leading to fear and anxiety, especially among youth (Chap. 12).

While the symptoms of insecurity become personalised, its causes are deeply connected to the inhumane out-of-control system of capital accumulation dominance. Insecurity is a collective problem for which collective solutions are appropriate. Instead we are offered private and paid-for solutions. Instead of fewer criminals, a gated-community; instead of safety of children, teachers carrying guns; instead of secure housing, private landlords prepared to evict people to raise rents.

Residential Care

Covid not only exposed the low level of care in private residential homes for the elderly and young people, but it also highlights conflict between care as a service and care-business for profit. With low wages, training and qualifications, it is easy to see how sexual abusers gain employment in the care of children and those physically abusing senior citizens jobs in care homes. These facilities should enjoy the highest levels in recruitment and training, only possible if socialised, mutualised as public services. Think about the high standards of residential care for elders and young people that democratic planning would insist upon, of the standard of education young people in state care ought to receive, instead of being bottom of the pile. Efforts to redesign residential care could aim to reduce reliance on such systems (though never completely) by implementing technological solutions for independent living, complemented by high-quality social services and nearby social and healthcare facilities (Waitzkin et al. 2021). By exploiting those most in need capitalism chooses the moral low-ground giving up any claim to humanity.

Emergency Services

Fire services in most developed countries are public services, though the drivers for improvement vary with insurance companies in the USA being as important as the Trade Unions are in European states for tightening regulations (on cladding, high-rise building and storage of inflammables). In many instances fire-fighters are well trained and paid, spending most time of preventative analysis and advice. Less so in some developing countries where fire services may be confined to large cities such as Maputo, Dar es Salaam and Nairobi. Kampala is especially proud of its service. Outside of cities services are often volunteer staff with old equipment. Noting the 17,500 islands constituting Indonesia, Suprpto (2016, the Brigade association) points to the challenge of forest and off-shore oil and gas installations served mainly by municipal brigades. Universities are now offering courses for fire-fighters. This demonstrates at an extreme level the fire service challenges.

African countries are pressing ahead with healthcare improvements including emergency ambulance services, which are new to some countries and depend on the quality of hospital care, including digitised patient records, for efficient triaging of patients, with some excellent service systems reported in Cannan et al. (2020). As in developed countries, upgrading staff competences allows more treatment at point of contact. In USA, unless patients have medical insurance ambulances charge a fee, sometimes before treatment.

Police and Prisons

Marxist views of the state as a non-neutral class force composed of courts, prisons and bands of armed men: the police are not a neutral force, as part of a capitalist state their role is protecting capitalist property. However, the policy *performs* other roles such as preventing crime and apprehending criminals. In many western societies crime is falling, though (UK figures) only around 6% of crimes result in criminals being charged. Policing by consent and with cooperation is ideologically dominant in most liberal democracies: Botswana and the Netherlands boast consensual policing. As Riccucci et al. (2018) found, the more the police reflect the diversity of society, the greater the public support; Hong (2014) found that greater police diversity creates less racial profiling and ethnic distrust. Corrupt or racist police forces are least acceptable to citizens (see Chap. 12).

China and the USA are exceptional. In China because the police, like the PLA, serve the Party—and contrary to western media reports, the Party is popular—additionally, the Chinese police are integrated into social activities, such as littering campaigns and helping the elderly.

USA Exceptionalism

On city security the USA is exceptional. These exceptions arise from its modern slavery history and the ongoing racism that appears embedded in policing and justice systems, leading Robinson (1983) and Brown (2002, 2021) to speak of *racial capitalism*, which Jenkins and Leroy (2021) says is super-exploitation. Ralph and Singhal (2019) reject this saying it minimises other forms of oppression, such as gender and disability, while Burden-Stelly (2020) argue racial capitalism opens wider discussion on oppression. Racial capitalism draws on Du Bois' reinterpretation of global history driven by racism, a view Marx would reject. Marx's 40 articles in the New York Daily Tribune called for the liberation and arming of black people. During the First International, he organised major rallies in England supporting the liberation and arming of slaves. This had a major influence on Lancashire workers, who, despite relying on Southern cotton, supported the North in the Civil War and condemned relations of domination across the British and other empires. White flight now typifies many USA cities, see https://en.wikipedia.org/wiki/American_ghettos

US society has not yet come to terms with its racist past. On May 25, 2020, George Floyd, a 46-year-old black American man, was killed in Minneapolis by Derek Chauvin, a 44-year-old white police officer. This incident led to Black Lives Matter (BLM) mobilising 23-million protesters in the USA alone, drawing attention to the approximately one thousand people killed by police annually, many of whom are unarmed Black individuals. Body worn cameras, supposed to address these issues, are often turned off. The demand to 'defund the police' is often interpreted

as a call to bring policing under community control, emphasising neighbourhood-level oversight rather than city-level governance, raising broader questions about democracy.

Prisons are the second largest business in California (Gilmore 2007), what Angela Davis refers to as the prison-industrial complex, a carceral state. Twenty-three new prisons having been built since 1984 at around US\$ 300-million each by major corporations such as Correctional Corporation of America (CCA) and GEO Group. Far from being a nation of immigrants, as Dunbar-Ortiz (2021) shows the US deports more immigrants than it allows to stay, many of those criminalised for entry, joining with people of colour to form the ever-growing prison population. Hence Herzing and Piché's (2024) call for prison abolition. The prison-industrial complex has turnover of \$74 billion (larger than 133 countries). Incarceration rate has increased by 700% over the last four decades. Skema (2023) says prison companies receive around \$41.61 to each prisoner each day, \$27.05 goes to employee salaries and benefits. This leaves \$14.56 per man-day for the combined costs of food, medical care and contracted drug rehabilitation and education programmes. Black people are 12% of the US population but almost 40% of the prison population.

The USA is exceptional in its cities and not in a good way. Rooting out racism is a several decades project that can only begin when its class roots are recognised.

14.2.9 Source and Use of Funds

Source of Funds

Chapter 19 focuses on democracy. Non-profit public agencies (national or local) have not traditionally produced Balance Sheets (assets and liabilities) and Profit and Loss Accounts, like private companies, and instead operated with Income and Expenditure Accounts, essentially cash-flow of revenue and capital, which was assumed to balance over the period. Neoliberalism has altered this by (a) budget cuts preventing balanced income/expenditure and (b) assumed privatisation of assets and therefore the need for asset accounts (value not simply register). Already Australia and New Zealand encouraged by IMF (2013), ICAEW-PwC (2014) and OECD-IFAC (2017) produce balance sheets, which support privatisation by pricing assets. Budget instability is a problem for many local public agencies, with a one-year cycle (sometimes with cutbacks in the middle) instead of the desirable 3- to 5-year cycle that allows for long-term planning. Raising more revenue locally (progressive income and asset taxes) increases accountability. Local agencies instead spend time chasing additionality and manipulating hypothecated central grants.

Use of Funds

Multiple, diverse and sometimes contradictory assessment criteria, e.g. VfM, CBA, etc., combined with inbuilt increases in pharmaceutical prices, wage inflation and supply cost reductions make long-term planning and revisiting base budget difficult. Obligations for bureaucratic compulsory tendering (EU) aim privatisation assets and functions. Ethical budgeting focuses on really where pain falls, with discretionary services often eliminated to protect statutory services. Auditing can help if directed to cost-benefit and shared good practice.

City councils need greater democratic control over the source and use of funds and less neoliberal NPM interventions replacing social by market relations.

14.3 Marx on City-Services

14.3.1 *Value-Flows*

Cities are value-flows. Think for a moment how cities would function without public services. Yet, private capital paradoxically wants quality services and low taxes. Some cities (Red Vienna) resolve the paradox by fighting with central Government.

Beer (1979) notes that the advantage of late development lies in adopting advanced technologies and systems, while Gerschenkron (1966) highlights the direct path to modernisation through leapfrogging with advanced technologies. Examples include Luanda/Angola; Kigali/Rwanda, Tianjin/China, Tallinn/Estonia; Gdansk/Poland, Isfahan/Iran, Bangalore/India, Dhaka/Bangladesh, Santa Cruz de la Sierra/Bolivia. The problem of course is marshalling the resources to buy-in technology and especially training staff. We note that this is not one-way, Cooke's (1990, 1995) work on USA turnaround cities shows that some cities unravel instead of reviving.

14.3.2 *Value-Destruction and Cities?*

Section 6.2.4 considered and rejected Engen et al.'s (2021) and Cui and Osborne's (2022) idea of value-destruction (VD) as an alternative perspective to NPM, with Sect. 11.2.1 emphasising that value is created only by labour working on natural artefacts to solve a problem by creating a UV. UVs are material; no intangible services (Kaivo-Oja 2023), always having a tangible element.

VD theory is a marketing perspective originating with Parasuraman et al.'s (1985) gap analysis. Vargo and Lusch (2008) add (without citing) Fuchs (2010, 2015) on audience labour (the user, not the provider, creates value: the patient, not

Table 14.1 Questions related to value-destruction

	Questions arising from idea of value-destruction
1.	From the perspective of value, consumption does not destruct value, rather it transfers the energy into a different form. The eaten cake now is energy inside the eater’s body: the 1st Law of Thermodynamics. What is destruction in value-destruction?
2.	At all stages in potentially creating value, due to unforeseen events the value may not up created. Value-destruction is necessarily a post-facto perspective and cannot be ex ante (before the event). Can value-destruction theory inform activity that prevents value-destruction?
3.	Potential value means the value does not exist. In Aristotle’s terms ceasing-to-be cannot equate with interrupted coming-to-be. That which does not exist cannot be destroyed. Football matches are not decided by ‘expected goals’ only by goals actually scored. How can value that does not exist, be destroyed?
4.	Use-values may be objectively performative, technically capable of solving the service user’s problem, however, they may for subjective reasons fail to satisfy the users and therefore not create public value. These two outcomes are separable and potentially avoidable if provider/ user interaction around goal(s) is clarified and agreed prior to UV creation. Where the UV fails to create PV, is it the case that the learning (feedback from user or technical changes) enables iterative attempts to succeed and avoid system entropy?
5.	If only service users create value (as Grönroos and PSL argue), is it the case that only users can destroy value or, as Engen (2021) claims, any actors can destroy value? If only users can create/destroy value, what does co-destruction mean? Of the various forms of value posited (value-in-use, in-context, in-production, in-X), are all of these values destroyed or only some?

the doctor, the pupil, not the teacher). This concept was imported into PM by PSL (Osborne 2020).

Confusion arises when unmet values are considered destroyed *potential*, whereas labour theory of value is material and objective (labour hours). It is worth noting that the material objective created may fail to solve the problem or meet user expectations of value.

Once value is accepted as purely subjective and immaterial, VD theorists such as Plé and Cáceres (2010) and Henna et al. (2018) argue VD arises from flaws in the provider-user relationship. According to Abid et al. (2022), new categories of *value-in-experience* resulted in an *experience-dominant logic*. Mahajan (2019) argues VD occurs only *after* the service has been offered to the user, since (Portulhak and Pacheco 2022) public value is *in the eye of the beholder* and for Ratajczak-Mrozek and Taylor (2002) *effortful* service users can prevent VD and Eriksson et al.’s (2023) dis-value. The argument here is that service users alone create value and can destroy value. This view is endorsed by Lumivalo et al. (2023). Mostafa (2016) argue this perspective avoids Williams et al.’s (2016) *co-contamination* of PV; with Farquhar (2014) speaking of VD avoided by de-marketing services. The claim is that value is created by the pupil not the Teacher, by the patient not the Doctor.

We now argue using Marx’s labour theory of value perspective that the idea of VD in public services is fundamentally flawed. Marxist’s LTV suggests several questions (Table 14.1) arising from the review of VD literature above.

VD unhelpfully conflates value and values. Value, as labour-value, always involves a tangible element, always objective hours and is always created by the provider, not the user. Once created, values come into play and may not be met, value created fails to solve problem. VD sows confusion. Public service providers are not value destroyers, though they may need to improve to better match user expectations. Value is the real, material solving of problems, not merely a potential. This perspective can be disheartening for providers and undermines arguments against NPM and neoliberalism.

14.3.3 *Stadtluft Macht Frei: The City Makes Us Free*

When Marx in the CM spoke of rural idiocy he was not disparaging peasants but rather the absence of education, cultural appreciation and an internationalist perspective that hum-drum rurality brings; in short, Marx rejected the dependency of primary producers on cities and value-adding capitalist companies, he bemoans how urbanites have lost affinity with nature. The city frees from control by feudal Lords, but only to become captive of capitalists. The difference is that in city air there are ideas, collective groups, the opportunity to rebel and overturn the masters and their exploitative and oppressive system. What Marx yearns for is peasant agency, channelling their anger into a movement led by advanced workers for socialism. He is rejecting the individualism cities can foster and the lowered social horizons of the countryside. Cities can release the potential of productive forces but only if the majority understand and participate in democratic change processes. Lefebvre's (2003) right to the city is to enjoy liberal freedoms of expression and assembly. Marx wants much more than smartness or Harvey's (2003) rational space allocations. It is not the city but dis-alienation, unity between town and country, unity of peasants and works, unity of purpose that makes us free. *Unlike utopian theorists* (Campanella's City of the Sun; Moore, Plato), Marx viewed cities as they exist as class-based both internally and in their external relations with the countryside. Cities planned to meet the dis-alienated needs of workers—unlike (say) Cairo and Abuja—will avoid planless sprawl. The content of the planning, not only democratic processes, matters: public space, land ownership and social interaction.

14.3.4 *Spatiality of Cities*

Cityscapes embody class inequalities in buildings and spatial relationships as shown by our critique of the smart city. For local public agencies immediate problems might include what to do about favela developments, how to encourage brownfield not greenfield building, the embourgeoisement of working-class areas and shifting people to undesirable banlieue, central financial district empty on evenings and weekends, in China hukou policy successfully controlled urbanisation, are city

Table 14.2 Classification of libraries

Category	Examples	Content/functions
Rich repository, elite access	Ancient libraries, some universities restrict access	Expensive collections Scholar study
Mass consumption; information providers	• Free but limited in scope • Nineteenth century British public libraries • Now popularising	Now carefully intersectional Now offering homework clubs, video rental, popular culture
Self-improvement Engels (MECW-4 <i>Conditions</i>)	Northern Mechanics Institutes (often Trade Union funded)	Technical and scientific Self-improvement knowledge
Political libraries	Welsh Miner's libraries	Left-wing political literature
Lenin (1983) cultural domination reversed	Counter to bourgeois 'mob' culture (Sroka 2013) Stalinised culture. Soviet Russia, DPRK	Leftist literature, no right-wing stuff
Enlightening. Libraries	Chinese libraries	Study, expand, critical thinking + mainly technical and scientific

authorities justified in gaining capital receipts by compulsory purchase and rezoning of agricultural land?

14.3.5 Libraries

Libraries have a special place amongst public services for Marxists. This is *not* because Marx worked for decades at chair G-7 in the circular Reading Room of the British Museum. All M&E works are now available at an internet library, thanks to Andy Blunden and volunteers <https://www.marxists.org/archive/marx/works/>. Libraries are beloved by Marxists because raising consciousness and critical thinking by the mass of people is essential for the active citizenship needed to build socialism.

As Murison (1998) illustrates, libraries can be classified in many ways, Table 14.2 presents a taxonomy, not based on detailed empirical study.

Elite libraries are not an ancient concept. In 1929 Virginia Woolf said *I thought of the shut doors of the library; and I thought how unpleasant it is to be locked out as a woman not allowed into Oxford's library*. The Pateman and Pateman (2021) criticise Frankfurt theorists and then join Marcuse (1943) in disparaging British public libraries: However, they were clearly brought up in a house with books, whereas those of us who were not used public libraries as an escape tunnel from ignorance. Today, they draw in young readers, often now amalgamated with school libraries to share resources. Lenin's (V-42) view of public libraries as cultural domination needing replacement by libraries offering only leftist literature is mistaken. Libraries should be enlightening. Workers need to understand complexity evolving

critical skills. If their Marxism is challenged by reading Hayek, it was only superficial. Is reading nineteenth century novels not part of human culture?

Readers will note Lenin, Kim Il Sung and Mao favoured filtering out rightist literature from libraries. Not knowing alternative argumentation differs from intelligently rejecting it. DPRK's People's Study House in the centre of Pyongyang (Li Yong Rip (1996) houses only socialist and Korean literature. During the Chinese CR rightist books were destroyed, Manguel (1996) noted.

Chinese people are avid readers, now accessing 3200 free libraries, often mainly technical and scientific literature (Liu 1996), however they do not exclude rightist literature and now have arrangements with 216 databases many of which are international (e.g. ProQuest), subscribe to 10,000 journals, making e-Journals available to researchers, with children's rooms, and open lectures and e-book availability. The BJ and SH buildings are award-winning architecture. Seven regional centres hold important archives (Nanjing, Shanghai, Jilin, Chengdu, Xian, Guangzhou and Wuhan), along with the 3901 university libraries. These are enlightening libraries, as Liu and Li (2007) say, *it is important for the library to be the dissemination hub of knowledge and information and to be a school for the life-long education of its citizens*. Check out <http://old.library.sh.cn/web/index.html>. Improvements will come and new libraries open, nonetheless, China has an enlightening library public service.

14.4 Conclusions

William Morris the leading figure in the British late nineteenth century arts and crafts movement, founder of Marxist SDF (with Engels' advice, alongside Eleanor Marx), took up Marx's ideas and in *News from Nowhere* (1890) envisioned a futuristic ecological society, removed from the *Work in a Factory as it might be* (1884) in which he admonished *chimneys rise up like curses from earth to heaven*. As Foster and Clark (2021) note his critique of consumerism (*Useless toil makes—and sells*) was based on his reading of Marx.

This chapter has critiqued the idea of smart cities and argued that infrastructure often meets the needs of capital rather than citizens, *infrastructural violence* making cities unpleasant places to live. Divisions of labour (LO-1) widen the metabolic rift with nature, denuding cities of open space by privatisations and embourgeoisement of working-class areas. This process is often reflected in transport arrangements that prioritise cars over people, and calls for public transport as a priority (LO-3). We note that waste collection and disposal are class issues resolvable only by democratic planning of value-flows (LO-2). We argue that social space is essential for creative industries to flourish, and, as with industrial development and the release of productive potential of technology, it benefits from knowledge flows within clusters.

If cities are to *make us free*, they need to be secure places to live and in many countries they are not (LO-1). Marxists call for independent living in communities with supportive public services, well-resourced and respected emergency services

such as fire. We noted the need for social responses to crime (reducing police and prisons) and the social medicine requires healthy environments to live in. US cities have a particular issue of racist heritage. We argue that the sources and uses of funds in cities need democratising and alternatives to NPM value assessments incorporating social values.

Value-flows in cities currently meet the needs of capital accumulation and not citizens. Particularly African and South American cities need job-creating investment and technological leapfrogging. We criticise the idea of value-destruction as neoliberal. Democratic planning at community, city-wide and city-regional level are needed for the city to make us free (LO-3). This includes space use and libraries that enlighten and do not simply represent the dominant culture.

References

- Abid MF, Shamim A, Khan Z, Khan I (2022) Value creation or value destruction: conceptualising the experiential nature of value-in-use. *J Consum Behav* 21:3. <https://doi.org/10.1002/cb.2033>
- Adamson G (2018) Fewer, better things – the hidden wisdom of objects. Bloomsbury Publishing, London
- Adorno TW (1991) *The culture industry: selected essays on mass culture*. Routledge, London
- Adorno TW, Horkheimer M (1947) *The culture industry*. Macmillan, New York
- Appadurai A (1986) *Commodities and the politics of value*. Cambridge University Press, Cambridge
- Arthur BW (2015) *Complexity and the economy*. Oxford University Press, Oxford
- Aschauer DA (1989) Is public expenditure productive? *J Monet Econ* 23:177–200
- Auerbach RP, Mortier P, Bruffaerts R, Alonso J, Benjet C, Cuijpers P, Demyttenaere K, Ebert DD, Green JG, Hasking P, Murray E (2018) WHO world mental health surveys international college student project: prevalence and distribution of mental disorders. *J Abnorm Psychol* 127(7):623
- Barro RJ (1988) Government spending in a simple model of endogenous growth. National Bureau Of Economic Research, Working Paper No. 2588
- Bateson G (1972) *Steps to an ecology of mind*. Chandler Publishing, San Francisco
- Bauman Z (2007) *Does the richness of the few benefit us all?* Polity Press, Cambridge
- Bauman Z, Lyon D (2013) *Liquid surveillance: a conversation*. Wiley, London
- Beck U (1992) *Risk society*. Sage, London
- Beer S (1979) *The heart of enterprise*. Wiley, Chichester
- Bell D (1973) *The coming of post-industrial society: a venture in social forecasting*. Basic Books, New York
- Benjamin W (1970/1955) (Arendt H Editor), *Illuminations*. Bodley Head, London
- Bhattacharya T (ed) (2017) *Social reproduction theory: remapping class, recentring oppression*. Pluto Press, London
- Block WE (2011) Road socialism. *Int J Value-Based Manag* 9: 195–207. Available at SSRN: <https://ssrn.com/abstract=1892391>
- Braverman H (1974) *Labour and monopoly capital*. Monthly Review Press, New York
- Brockerhoff M, Hewett P (2000) Inequality of child mortality among ethnic groups in sub-Saharan Africa. *Bull World Health Organ* 78:30–41
- Brohm (1989) *Sport: a prison of measured time*. Pluto Press, London
- Brown E (2002) *The condemnation of little-B – new age racism in America*. Beacon Press, Boston
- Brown E (2021) *A taste of power – a black woman's story*. Penguin, London

- Burden-Stelly C (2020) Modern U.S. racial capitalism. *Monthly Review*, July, <https://monthlyreview.org/2020/07/01/modern-u-s-racial-capitalism/>
- Button K (2022) *Transport economics*. Edward Elgar, Northampton, MA
- Cairncross F (1997) *The death of distance*. Cambridge University Press, Cambridge
- Cannan VC et al (2020) Emergency care systems in Africa: a focus on quality. *Afr J Emerg Med* 10(1):S65–S72
- Carchedi G, Roberts M (2023) *Capitalism in the twenty-first century – through the prism of value*. Pluto Press, London
- Cardon MS et al (2009) The nature and experience of entrepreneurial passion. *Acad Manag Rev* 34(3):511–532
- Carver T (2008) Marx's conception of alienation in the Grundrisse. In: Musto M (ed) *Karl Marx's grundrisse: foundations of the critique of political economy 150 years later*. Routledge, pp 48–66
- Castells M (1997) *The information age: the rise of the network society*, vol 1. Blackwell, Oxford
- Castells M (2009) *Communication Power*, CUP, Cambridge
- Castells M, et al. (2017) *Another Economy is Possible: Culture and Economy in a Time of Crisis*, Polity, Cambridge
- Castells M, Hall P (1994) *Technopoles of the world*. Routledge, London
- Castells M, Himanen P (2002) *The information society and the welfare state – the Finnish model*. Oxford University Press, Oxford
- Chanani G (2022) Regeneration in partnership with communities. In: *Tomorrow's communities*. Policy Press, Cambridge, pp 55–70
- Charley C (2014) in Cerankowski KJ (2020) *Chasing Charley, finding Reed: reaching toward the ghosts of the archive*. *J Vis Cult*, 19(2), 293–303
- Christophers B (2018) *The new enclosure – the appropriation of public land in neoliberal Britain*. Verso, London
- Collier SJ, Ong A (2003) Oikos/Anthropos: rationality, technology, infrastructure. *Curr Anthropol* 44:421–426
- Cohen B, Cohen B (2015) *The 3 generations of smart cities*. Fast Company. Accessed 121223, available at: <https://www.fastcompany.com/3047795/the-3-generations-of-smart-cities>
- Cooke P (1990) *Back to the future*. Unwin Hyman, London
- Cooke P (1995) *The Rise of the Rustbelt*. University College London, London
- Csikszentmihalyi M (1996) *Creativity: flow and the psychology of discovery and invention*. Harper Collins, New York
- Cui T, Osborne SP (2022) Unpacking value destruction at the intersection between public and private value. *Public Administration*. <https://doi.org/10.1111/padm.12850?src=getfr>
- Daston L (2004) *Things that talk: object lessons from art and science*. Zone, New York
- Daston L (2017) *Science in the archives: pasts, presents, futures*. Chicago University Press, Chicago
- De Bosscher V, Shibli S, Westerbeek H, Van Bottenburg M (2015) *Successful elite sport politics: an international comparison of the sport policy factors leading to international sporting success (SPLISS 2.0) in 15 nations*. Meyer and Meyer Sport, Aachen
- Deleuze G (1990) Deleuze in conversation with Negri. *Futur Anterieur*, Spring. <https://www.generation-online.org/p/fpdeleuze3.htm>
- Derwort P, Jager N, Newig J (2019) Towards productive functions? A systematic review of institutional failure, its causes and consequences. *Policy Sci* 52:281–298. <https://doi.org/10.1007/s1107-018-9339-z>
- Djahel S, Doolan R, Muntea G-M (2015) A communications-oriented perspective on traffic management systmes for smart cities and innovative approaches. *IEEE Commun Surv* 17:1
- Dore RP (1986) *How the Japanese learn to work*. Routledge, London
- Dosi G, Freeman C, Nelson R, Silverberg G, Soete L (1988) *Technical change and economic theory*. Pinter, London
- Douglas M (2002) *Natural symbols*. Routledge, London

- Draper H (1977) Karl Marx's theory of revolution (vol 1: state and bureaucracy). MR Press, New Year
- Draper H (1987) The dictatorship of the proletariat from Marx to Lenin. New York University, New York
- Dunbar-Ortiz R (2021) Not a nation of immigrants: settler colonialism, white supremacy, and a history of erasure and exclusion. Beacon, Boston
- Durkheim E 1893 (1984) The division of labour in society. Free Press, New York
- Economist (2022). Available at <https://www.economist.com/culture/2023/07/06/governments-are-using-culture-to-spur-economic-regeneration> (accessed 101121)
- Egan T (2006) The worst hard time. Houghton Mifflin, New York
- Ellner S (2021) Latin American extractivism. Rowan and Littlefield, London
- Engels (1873) <https://www.marxists.org/archive/marx/works/1873/05/24.htm>
- Engels F (1877) Anti-Dühring, MECW-25
- Engen M, Fransson M, Quist J, Skållén P (2021) Continuing the development of the public service logic: a study of value co-destruction in public services. *Public Manag Rev* 23(6):886–905. <https://doi.org/10.1080/14719037.2020.1720354>
- Eriksson E, Williams S, Hellström A (2023) Dis/value in co-production, co-design and co-innovation for individuals, groups and society. *Public Money Manag* 43(1):17–25
- Farquhar JD (2014) Chapter 8: Selective demarketing: a value destruction approach. In: Bradley N, Blyth J (eds) *Demarketing*. Routledge, Abingdon, pp 117–137
- Fedor TS (1975) Patterns of urban growth in the Russian empire during the nineteenth century. The University of Chicago, Department of Geography Research Paper, Chicago, IL, p 175
- Feinstein BD, Allen A (2010) Community benefits agreements with transit agencies: neighborhood change along Boston's rail lines and a legal strategy for addressing gentrification. *Transp Law J* 38:85
- Ferkins L, Van Bottenburg M (2013) The governance of high-performance sport. In: Sotiriadou P, De Bosscher V (eds) *Managing high performance sport*. Routledge, London, pp 115–136
- Flamm K (1988) Creating the computer. The Brookings Institution, Washington, DC
- Florida R (2002) Cities and the creative class. Accessed 20121, available <https://creativeclass.com/rfcgdb/articles/4%20Cities%20and%20the%20Creative%20Class.pdf> (PDF)
- Foster JB, Clark B (2021) The capitalinian: the first geological age of the anthropocene. *Mon Rev* 73(4):1–16
- Fraser N (2005) Reframing justice in a globalizing world. *New Left Rev* 36:69–88
- Fuchs C (2010) Labour in informational capitalism and on the internet. *Inf Soc* 26:179–196
- Fuchs C (2015) The digital labour theory of value and Karl Marx in the age of Facebook, YouTube, Twitter and Weibo, Chapter-2. In: Fisher E, Fuchs C (eds) *Reconsidering value and labour in the digital age*. Macmillan, London
- Galbraith JK (1963) *American capitalism: the concept of countervailing power*. Penguin, London
- Gerschenkron A (1966) *Economic backwardness in historical perspective*. Harvard University Press, Cambridge, MA
- Gibson CL (2005) Cultural economy: a critical review. *Prog Hum Geogr* 29(5):541–561
- Gilmore RW (2007) *Golden gulag – prisons, surplus, crisis and opposition in globalising California*. University of California Press, Los Angeles
- Godelier M (1978) Infrastructures, societies, and history. *Curr Anthropol* 19:763–771
- Goodhart D (2017) *The road to somewhere: the populist revolt and the future of politics*. Hurst and Co, London
- Gorgens T, van Donk M (2011) From basic needs towards socio-spatial transformation: coming to grips with the 'Right to the City' for the urban poor in South Africa. Isandla Institute. isandla.org.za
- Gough KV, Yankson PWK (2001) The role of civil society in urban management. In: Tostensen A (ed) *Associational life in African cities: popular responses to the urban crisis*. Nordiska Afrikainstitutet, Uppsala, pp 127–143
- Green B (2020) *The smart enough city*. MIT Press, Cambridge, MA

- Grix J, Phillpots L (2011) Revisiting the 'governance narrative' 'asymmetrical network governance' and the deviant case of the sports policy sector. *Public Policy Adm* 26(1):3–19
- Hanson G (2010) Sources of export growth in developing countries. Mimeo, UC San Diego
- Hargreaves J (1986) Sport, power and culture: a social and historical analysis of popular sports in Britain. Polity Press, Cambridge
- Harvey D (1979) Social justice and the city. Edward Arnold, London
- Harvey D (2003) The new imperialism. Oxford University Press, Oxford
- Harvey D (2008) The right to the city. *Int J Urban Reg Res* 27(4):939–941
- Henna J, Kähkönen A-K, Harru T (2018) When value co-creation fails: reasons that lead to value co-destruction. *Scand J Manag* 34(1):63–77. <https://doi.org/10.1016/j.scaman.2018.01.002>
- Herzing R, Piché J (2024) How to abolish prisons: lessons from the movement against imprisonment. Haymarket, Chicago, IL
- Hesmondhalgh D, Baker S (2013) Creative labour: media work in three cultural industries. Routledge, London. https://books.google.co.uk/books?hl=en&lr=&id=0UmE2Hse9AUC&oi=fnd&pg=PR1&dq=marxist+%2B+cultural+industries+labour&ots=nM231PI7C4&sig=elgdoDjm8nEXa_Y4QcK-0mVWCNs#v=onepage&q=marxist%20%2B%20cultural%20industries%20labour&f=false
- Hewett PC, Montgomery MR (2001) Poverty and public services in developing country cities. Population Council, Working Paper. <https://doi.org/10.31899/pgy1.1026>
- Hong LF (2014) Leftover women: the resurgence of gender inequality in China. Zed, London
- Huizinga J (2000 [1938]) *Homo Ludens*. Routledge, London
- Iben B, Levinsen K (2019) Collaboration between sports clubs and public institutions. *Eur J Sport Soc* 16:2. <https://doi.org/10.1080/16138171.2019.1610619>
- ICAEW-PwC (2014) EU perspectives: government accountability and reporting, December
- IMF (2013) Another look at government's balance sheets: the role of non-financial assets. www.IMG.org
- Ingold T (2000) The perception of the environment: essays on livelihood, dwelling and skill. Routledge, London
- Itami H (1987) Mobilising invisible assets. Harvard University Press, Cambridge, MA
- Jacobs J (1969) The economy of cities. Vintage Books, New York
- Jacobs J (1970) The economy of cities. Vintage Books, New York
- Jacobs J (1984) Cities and the wealth of nations: principles of economic life. Random, New York
- James CLR (1963) Beyond the boundary. Penguin, London
- Jenkins D, Leroy J (eds) (2021) Histories of racial capitalism. Columbia University Press, New York
- Juul J (2005) Half-real – video games between real rules and fictional worlds. MIT Press, Cambridge, MA
- Kaivo-Oja J, Kinder T, Stenvall J (2023) Key trends of tangible and intangible products in public sector production in some OECD countries: intangibility and the obfuscation of public service productivity. *Journal Economics and Culture*, forthcoming
- Kampmann J (1997) Børn som informanter. Roskilde Universitet, Roskilde
- Keynes JM (1936) General theory. Cambridge University Press, Cambridge
- Khairullina E, Ganges LS (2021) Tram, trolleybus and bus services In Eastern European socialist urban planning: case studies of Magdeburg, Ostrava and Oryol (1950s and 1960s). *J Transp Hist* 42(1):26–57
- Kinder T, Stenvall J, Memon A (2018a) Play at work, learning and innovation. *Public Manag Rev* 21(3):376–399
- Kinder T, Six FE, Stenvall J, Memon T (2018b) Governance, trust and learning – a new framework and study of governances as legitimacy in Finland and England. International symposium on implementing collaborative governance. The University of Palermo (Italy) 25th–26th, October, 2018
- Kinder T, Stenvall J, Pirkola S (2019) Class and differential treatment of mental illness: problems in knowledge-intensive service design, IRSPM Annual Conference, Victoria University of Wellington, New Zealand, April 17–19

- Kitchin R (2014) Big data, new epistemologies and paradigm shifts. *Big Data Soc* 1(1):1–12
- Koetz V (2022) A critique of smart cities: what they are and who they (theoretically) serve. <https://adapt.internews.org/2022/05/11/a-critique-of-smart-cities/>
- Larkin B (2013) The politics and poetics of infrastructure. *Annu Rev Anthropol* 42:327–343
- Larsen LJ (2015) Play and space – towards a formal definition of play. *Int J Play* 4(2):175–189
- Lazonick W, Shin J-S (2020) Predatory value extraction: how the looting of the business corporation became the US norm and how sustainable prosperity can be restored. OUP, Oxford
- Lee K-F (2013) Schumpeterian analysis of economic catch-up: knowledge path-creation and the middle-income trap. Cambridge University Press, Cambridge
- Lee R, Blogg M, Myers E, Kyte M, Dixon M, List G, Flannery A, Troutbrck R, Brilon W, Werner B (2007) National Cooperative Highway Research Program (NCHRP) Report 572; Transportation Research Board of the National Academics, Washington, DC, Volume 9
- Lefebvre H (2008 [1961]) Critique of everyday life, 2. Verso, London
- Lefebvre H, (2003[1970]). The urban revolution. Minneapolis: University of Minnesota Press
- Lefebvre H (2003) The urban revolution, Minneapolis
- Lehtonen K, Stenvall J, Kinder T (2021) To trust or not to trust? Governance of multidimensional elite sport reality. *Sport Soc*. <https://doi.org/10.1080/17430437.2021.1932820>
- Levinson M (2008) The box: how the shipping container made the world smaller and the world economy bigger. Princeton University Press, Princeton, MA
- Liu X (1996) Public libraries and economic development in China. International Federation of Library Associations and Institutions, 62 annual conference, August 25–31
- Liu YQ, Li D (2007) Developing an integrated public library service in Dongguan, one of China's fastest growing cities. *New Libr World* 108(5/6):278–285
- Loos E, Sourbati M, Behrendt F (2020) The role of mobility digital ecosystems for age-friendly urban public transport: a narrative literature review. *Int J Environ Res Public Health* 17:7465. <https://doi.org/10.3390/ijerph17207465>
- Lucie E (2017) The retreat of Western liberalism. Little, Brown
- Lucidarme S, Babiak K, Willem A (2018) Governmental power in elite sport networks: a resource-dependency perspective. *Eur Sport Manag Q* 18(3):348–372
- Lumivalo J, Tuunanen T, Salo M (2023) Value co-destruction: a conceptual review and future research agenda. *J Serv Res* 0:1–18
- Mafrolla E, D'Amico E (2015) Does public spending improve citizens' quality of life? *Local Gov Stud* 42(2):332–350
- Major LE, Machin S (2018) Social mobility and its enemies. Pelican, London
- Mahajan G (2019) Critically exploring value destruction to create more value. *J Creat Value* 5(1):3–10
- Marcuse H (1943/1964) Reason and revolution. Oxford University Press, Oxford
- Marcuse P (2009) Spatial justice: derivative but causal of social injustice. *Justice Spatiale/Spatial Justice* 1(1):1–6
- Marshall A (1890/1965) Principles of economics. Macmillan, London
- Marx K (1859) Critique of Political Economy, MECW-38
- Mazzucato M (2013) The entrepreneurial state: debunking public vs private sector myths. Anthem Press, London
- Miège B (1989) The capitalization of cultural production. International General, New York
- Misbahuddin S, Zubairi JA, Saggaf A, Basuni J, Sulaiman A, Al-Sofi A (2015) IoT based dynamic road traffic management for smart cities. Proceedings of the 2015 12th international conference on high-capacity optical networks and enabling/emerging technologies (HONET), Islamabad, 21–23 Dec, pp 142–146
- Mitchell WJ (1995) City of bits: space, place and the infobahn. MIT Press, Cambridge, MA
- Montgomery J (2005) Beware 'the Creative Class'. Creativity and wealth creation revisited. *Local Econ* 20(4):337–343
- Mostafa MR (2016) Value co-creation in industrial cities: a strategic source of competitive advantages. *J Strateg Mark* 24(2):144–167. <https://doi.org/10.1080/0965254X.2015.1076885>

- Musa AA et al (2023) Sustainable traffic management for smart cities using internet-of-things-oriented intelligent transportation systems (ITS): challenges and recommendations
- Nam T, Pardo TA (2011) Conceptualizing smart city with dimensions of technology, people, and institutions. In: Proceedings of 12th annual international digital government research conference: digital government innovation in challenging times. ACM, New York, pp 282–291
- OECD-IFAC (2017) Accrual Practices and Reform Experiences in OECD countries, February
- O'Hare P (2018) Rubbish belongs to the poor. Pluto Press, London
- Ohlson K (2014) The soil will save us. Rodale, New York
- Orwell G (1984) Nineteen-eighty four. Penguin Classics, London
- Osborne SP (2020) Public service logic: creating value for public service users, citizens, and society through public service delivery. Routledge, New York
- Paley G (2009) A child's work: the importance of fantasy play. OUP, Oxford
- Pali B, Schuilenburg M (2019) Fear and fantasy in the smart city. *Crit Criminol* 28:775–788. <https://doi.org/10.1007/s10612-019-09447-7>
- Parasuraman A, Zeithaml VA, Berry LL (1985) A conceptual model of service quality and its implications for future research. *J Mark* 49:41–50
- Pateman J, Pateman J (2021) Public libraries and marxism. Lawrence and Wishart, London
- Peach J (2023) A critique of the economist's 'most liveable cities report'. <https://www.smartcitiesdive.com/ex/sustainablecitiescollective/critique-economist-s-most-liveable-cities-report/21500/>
- Peck J (2005) Struggling with the creative class. *Int J Urban Reg Aff* 29(4):740–770. <https://doi.org/10.1111/j.1468-2427.2005.00620.x>
- Perroux F (1950) Economic space: theory and applications. *Q J Econ* 64:90–97
- Pink DH (2009) Drive. The surprising truth about what motivates us. Riverhead Books, London
- Piore MJ, Sabel CF (1984) The second industrial divide. Basic Books, New York
- Pisano GP (2006) Science business: the promise, the reality, and the future of biotech. Harvard Business Press, Boston, MA
- Pitts FH (2015) Creative industries, value theory, and Michael Heinrich's new reading of Marx. *tripleC* 13(1):192–222
- Plé L, Cáceres RC (2010) Not always co-creation: introducing interactional co- destruction of value in service-dominant logic. *J Serv Mark* 24(6):430–437. <https://doi.org/10.1108/08876041011072546>
- Policante A (2012) Vampires of capital: gothic reflections between horror and hope. *Works Days* 30(1/2):213–233
- Porter M (1990) The competitive advantage of nations. Macmillan, London
- Portulhak H, Pacheco V (2022) Public value is in the eye of the beholder: stakeholder theory and ingroup bias. *Public Money Manag* 43(1):36–44
- Preobrazhensky E 1926 (1965) The new economics (2 edn. Clarendon Press, Oxford
- Pucher J (1990) Capitalism, socialism, and urban transportation: policies and travel behaviour in the East and West. *J Am Plan Assoc* 56(3):278–296
- Rabinow P (2003) Anthropos today. Reflections on modern equipment. Princeton University Press, Princeton
- Ralph M, Singhal M (2019) Racial capitalism. *Theory Soc* 48:6
- Ratajczak-Mrozek J, Taylor LO (2002) What determines the value of life? A meta-analysis. *J Policy Anal Manag* 21(2):253–270
- Ravish R, Rangaswamy S (2021) Intelligent traffic management: a review of challenges, solutions and future perspectives. *Transp Telecommun* 22(2):163–182
- Riccucci NM, Van Ryzin GG, Jackson K (2018) Representative bureaucracy, race, and policing: a survey experiment. *J Public Adm Res Theory* 28(4):506–518
- Robinson CJ (1983/2021) Black Marxism – the making of the Black radical tradition. Penguin, London
- Rodgers D, O'Neill B (2012) Infrastructural violence. *Ethnography* 13(4):401–412
- Rodik D (2017) Straight talk on trade – ideas for a sane world economy. Princeton University Press, Princeton, MA

- Rogan K (2019) Anti-intelligence: A Marxist critique of the smart city
- Rosol M, Blue G (2022) From the smart city to urban justice in a digital age. *Anal Urban Change Theory* 26:4. <https://doi.org/10.1080/13604813.2022.2079881>
- Ross A (2000) The mental labour problem. *Social Text* 18:1–32
- Ross A (2009) *Nice work if you can get it: life and labor in precarious times*. New York University Press, New York
- Safransky S (2020) Geographies of algorithmic violence: redlining the smart city. *Int J Urban Reg Res* 44:200–218. <https://doi.org/10.1111/1468-2427.12833>
- Sassen S (2015) *Losing control? Sovereignty in an age of globalisation*. Columbia University Press, New York
- Sayers S (2003) Creative activity and alienation in Hegel and Marx. *Hist Mater* 11(1):107–128. <https://doi.org/10.1163/156920603321624758>
- Sennett R (1998) *The corrosion of character: the personal consequences of work in the new capitalism*. Norton, New York
- Sennett R (2018) *Building and dwelling – ethics for the city*. Allen Lane, London
- Six FE (2005) *The trouble with trust – the dynamics of interpersonal trust building*. Edward Elgar, Cheltenham
- Skema T (2023) *Prison companies*. Available at <https://knowledge.skema.edu/business-of-incarceration/> accessed 190624
- Smith A 1970 (1776) *The wealth of nations*. Penguin, London
- Sohn-Rethel A (1978) *Intellectual and manual labour - a critique of epistemology*. Macmillan, London
- Soja E (2010) *Seeking spatial justice*. University of Minnesota Press, Minneapolis
- Stenvall J, Kinder T, Kuoppakangas P (2018) Unlearning and public services – a case study with Vygotskian approach. *J Adult Contin Educ* 24(2):188–207
- Suprpto N (2016) What should educational reform in Indonesia look like?-Learning from the PISA science scores of East-Asian countries and Singapore. *Asia-Pac Forum Sci Learn Teach* 17:2
- Sutton-Smith B (1997) *The ambiguity of play*. Harvard University Press, Cambridge, MA
- Thompson M (1979) *Rubbish theory – the creation and destruction of value*. Pluto Press, London
- Troutbeck R (2016) Modelling signalized and un-signalized junctions. In: *Handbook of transport modelling article information*. Emerald Group Publishing Limited, Bingley, pp 443–460
- US-DoT (2015) *Traffic congestion and reliability: trends and advanced strategies for congestion mitigation*. http://www.ops.fhwa.dot.gov/congestion_report/chapter2.htm
- Vargo SL, Lusch RF (2008) Service-dominant logic: continuing the evolution. *J Acad Mark Sci* 36(1):1–10. <https://doi.org/10.1007/s11747-007-0069-6>
- von Liebig J (1842) *Animal chemistry, or, organic chemistry in its applications to physiology and pathology*. https://en.wikipedia.org/wiki/Justus_von_Liebig
- Wahab NSN, Seow TW, Radzuan ISM, Mohamed S (2020) A systematic literature review on the dimensions of smart cities. *IOP Conf Ser Earth Environ Sci* 498:012087. <https://doi.org/10.1088/1755-1315/498/1/012087>
- Waitzkin H, Pérez A, Anderson M (2021) *Social medicine and the coming transformation*. Routledge, New York
- Wang Z, Makubuya T (2018) Evaluating the factors influencing the efficiency and usage of public sports services in a Chinese Province. *Int J Sport Health Sci* 12:4
- Wiesmeth H (2018) Strengthening competitive forces in Russian mandatory health insurance. *Int J Econ Policy Emerg Econ* 11(6):560–576
- Williams BN, Kang S-C, Johnson J (2016) (Co)-contamination as the dark side of co-production: public value failures in co-production processes. *Public Manag Rev* 18(5):692–717. <https://doi.org/10.1080/14719037.2015.1111660>
- Wolmar C (2016) *Are trams socialist? why Britain has no transport policy (perspectives)*. London Publishing Partnership, London
- Yigitcanlar T, Dur F (2013) Making space and place for knowledge communities: lessons for Australian practice. *Aust J Reg Stud* 19(1):36–63

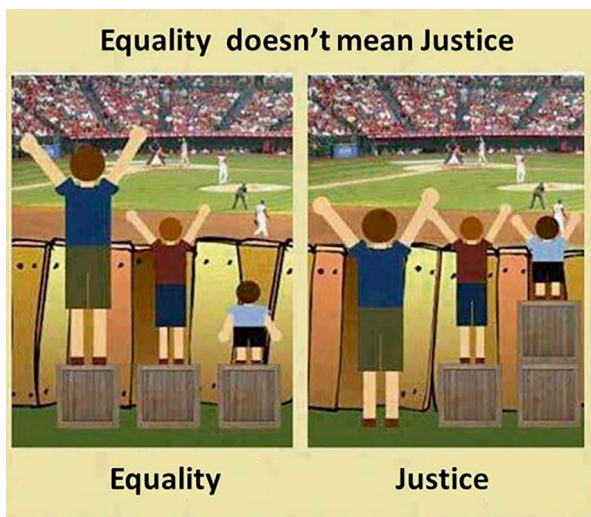
- Young TR (1986) The sociology of sport: structural Marxist and cultural Marxist approaches. *Sociol Perspect* 29(1):3–28
- Zheng C, Yuan J, Zhu L, Zhang Y, Shao Q (2020) From digital to sustainable: a scientometric review of smart city literature between 1990 and 2019. *J Clean Prod* 258:120689. <https://doi.org/10.1016/j.jclepro.2020.120689>
- Zirin D (2008) *A peoples' history of sport in the United States*. New Press, New York
- Zosi et al (2022) Smart cities: reviewing the debate about their ethical implications. *National Institute for Public Health*, September, 1–16
- Zukin S (2011) *Naked City: the death and life of authentic urban places*. OUP, Oxford

Chapter 15

Racism, Marx and Public Services



Abstract The chapter characterises racism, considers major theoretical debates and discusses its relevance for public services beginning by distinguishing racism from terms such as fascism and Zionism, and class from caste, disputes applying the label racial capitalism to the USA, and briefly outlines the history of racism in colonialism, republican slavery and today in global value chains. It explains and debates theories of scientific racism, critical race theory, Social Darwinism, and considers relevant theory including false consciousness and ideology, and cross-cultural interactions. Important public policies and their interplay with services are debated including migration (and ‘stealing’ knowledge workers from developing countries); refugees, border controls and open borders and discrimination in public services; finally, the chapter highlights issues related to reparations and eradicating racism. Justice is a higher principle than equity. Racism is a cancerous injustice blighting the emotional, intellectual, psychological, health and longevity, and material well-being of individuals; and by dividing the working-class retarding progress of continents and humanity. Its origins in classical theory are explored and then critical race theory and social Darwinism with their implications for understanding the material basis of racism. Some material injustices are embedded in some public service areas such as education, healthcare (including mental health), housing and employment. We discuss how to identify and root out racist discrimination in public services. Historic trends and continued relevance are discussed, commenting on how racism distorts development and supports trafficking (Bales et al. 2009). We discuss multi-cultural environments and cross-cultural learning and their relevance to public services today. Racism as a destabilising geo-political force is discussed, differentiating nationalism and fascism from racism, antisemitism and anti-Zionism. Public services can be an important way of counteracting racism; however, deeply rooted prejudice cannot be eliminated by any number of policies and programmes, as we discuss, rooting out racism requires changing the capitalist system that gives rise to racism.



The chapter then turns to Marx and Marxists interpretations of racism beginning by considering why and how public services can be racist, why this happens and what can be done about it. A Marxist perspective on racism and imperialism considers their impact on public services in developed and developing countries. We consider arguments around whether Marx belittled the importance of racism (Fraser's 1995: 2005 recognition argument see Sect. 8.7), and how far capitalism can be held responsible for racism in the working-class: how racism becomes part of consciousness and embedded in social structures such as public services. After exploring arguments for reparations for slavery and the effect this could have on public services such as health and education in some developing countries, the chapter concludes by examining arguments around working-class unity and the role that public services can play drawing on the experience of anti-racism in socialist states and arguments around how racism can be eradicated.

15.1 Origins of Racism

15.1.1 *Classical Origins as an Idea and then as Practices and as Force*

Prejudice attributes social characteristics: a social construction of 'us' and 'them' groups such as tribe or football team; prejudice *otherises*. Said's (2003) orientalism portrays 'Orientals' as a homogeneous group, exotic but untrustworthy. Racism is a discriminatory (individual) attitude or (collective) ideology sometimes referencing unchanging and unchangeable (physiological) characteristics such as skin colour—racism's narrative questions the humanity of others as in USA President Jefferson's

justification of slavery (Eliav-Feldon 2009), Kipling's (1899) *white man's burden*, the Nazi holocaust (Williams 1943).

The whole argument in defence of slavery becomes utterly worthless the moment the African is proved to be equally a man with the Anglo-Saxon. The temptation, therefore, to read the Negro out of the human family is exceedingly strong. Frederick Douglass (1854)

Isaac and Ziegler (2003) shows that ancient Greeks and Romans were not racist and Park (2013) similarly the ancient Chinese. They thought blackness the result of geography. Post-Roman Europe evolved racism, Christians equated 'blackness' with evil (Bernal 1987) paying attention to blood-line purity. Attributes antisemitism to the role of some Jews as money lenders, when Christians and Muslims were prohibited from usury, resulting in pogroms and forced migration (Beinart 1996), forcing Jews eastwards (Marozzi 2005). Nation state evolution and Luther's virulent antisemitism in the Protestant Reformation (Skinner 1978) led to 'us' and 'them' categories.

Colonialism is the fundamental change. Subjugating another people, forcibly taking their natural resources (Marx's primitive accumulation) presumes ideological racism: we are the 'chosen people', you are not, we are exceptional, you are sub-human or disabled! Cromwell took this view when massacring thousands of Irish Catholics at Drogheda in 1649. When Cortez set foot on Aztec lands in 1591 and the first Africans landed in chains at Puerto Rico in 1513 and at Massachusetts in 1641, racism was born. Bushman (1967) notes how religious minorities after 1620 left Europe adopting racist attitudes towards indigenous Indians and imported slaves. Within a century, the USA moved from a *society with slaves* to becoming a *slave society*. Jefferson could only write *all men are equal* by defining Africans as sub-human, disabled.

Ideologically, Eze (1997) and Zack (2017) show how European Enlightenment philosophers' justified slavery. Locke (1689) part owned a South Carolina slave plantation. Hume (see Popkin 1977) commented *negroes to be naturally inferior to the whites*. Strawson (1966) humanism still categorised Africans as sub-human—close to social Darwinism. Nietzsche called for slaves in support of an aristocracy (Huddleston 2019).

15.1.2 Scientific Racism

Medieval attempts at a systematic hierarchy of races based on skin colour (Rowland 2008) or skull shape (Blumenbach's 5-races) floundered until Darwin's *Descent of Man* (1871), which Spencer (1875) and then Galton (1889) wrongly interpreted as justifying an objective racial hierarchy. This supported eugenics, ideas still widespread, despite rebuttals such as Epstein (1999). As Foucault (1975) argues, race though justified as biology is a social construction. Unlike Darwin's monogenism (single ancestry), racial hierarchies, such as Agassiz (Menand 2002) promote polygenism, arguing some races are sub-human: this justifies Gobineau's Aryan

intelligence and Huxley's (1863) racial hierarchy. Twentieth century eugenics has justified South African apartheid, California's anti-Chinese laws, Sweden sterilising disabled people (Broberg and Roll-Hansen 2005) and Nazi genocide. Barkun (1997) connects eugenicists and today's right-wing biblical fundamentalists in the USA, beginning with Henry Ford's antisemitism and ethnic cleansing of Palestine by Zionists (Abunimah 2022). There is no scientific basis to racism, however, this does not prevent prejudicial people and institutions, including at times, public services from citing pseudo-science justifying discrimination.

15.1.3 Critical Race Theory

Critical race theory (CRT, Crenshaw 1996), evolved with the USA Civil Rights campaigns in the 1960s, challenging eugenics and racism by arguing that race is a social construction not objective science and instead calling for positive action campaigns (Kendi 2021). It adopts a standpoint epistemology—taking the narratives of those who have experienced racism as valid knowledge (*experts by experience*). CRT encourages exposure of concealed racism, paying especially attention Aronson and Laughter (2016) note, to school education (also Ladson-Billings 1995, 1998). It is countered, Butcher and Gonzalez (2020) show by religious and secular right-wing tendencies including Japan's white chrysanthemum movement and Indian Hindu nationalism (Doniger 2010). CRT is important in South Africa (Brown-Jeffy and Cooper 2011; Delgado and Stefancic 2017). Moynihan's (1965) report on the black family in the USA, highlighting problems of poor housing, employment, bad schools, and poverty Rainwater and Yancey (1967) confirm, had a major impact.

Makin-Waite's (2021) detailed work in the poor north-British town of Burnley shows racist elected Councillors refusing to alter racist policies despite overwhelming evidence of discrimination. The damning Macpherson report on Stephen Lawrence's murder charging London's police with *institutional racism* does not appear to have altered practice (Bridges 1999). Similarly reports following the murder of Michael Brown in Missouri resulting in body-worn cameras by USA police-officers has not reduced the rate of black people shot (Peck and Theodore 2012; Ariel and Wain 2014; US Police 2023).

CRT asks why racism persists despite affirmative action programmes and research findings exposing racism? The answer is that the material conditions giving rise to racism are unaltered. Gaps in USA black home-ownership, salary levels, qualifications and top university entrance are widening not narrowing (Wilson and Kassa 2020). The incarceration rate for blacks (two-million in jail) has risen 500% in 40 years (Nellis 2021).

Mahye (2022) argues there are no race-neutral societies, no *indifference to difference*: justice must be affirmatively worked for, especially where race, gender and class intersect. Instead, gaps are widening as shown by Satioi (2009), Schlesinger (2011), Jones and Nichols (2020) and Wilson and Kassa (2020).

Are the people who we call Black more like each other than they are like people who we call white, genetically speaking? The answer is no. There's as much or more diversity and genetic difference within any racial group as there is between people of different racial groups. Ossorio (2016)

Racism persists because social systems allow, enable, favour and benefit from its existence.

15.1.4 Social Darwinism

Section 4.2 touched on Social Darwinism, here its influence is explored. Social Darwinism is the view that the social structures that have evolved are the best possible; it naturalises capitalism racism and colonialism; Paul et al. (2018) and Glaser et al. (2014) say it rejects human intervention in social affairs. As Gee and Ford (2011) point out, if policing and education have evolved in a racist manner, social Darwinists urge that this must be for the best and should be left alone, race is thus *invisibilised* Craig (2013) says. Spencer and Huxley are criticised by Levins and Lewontin (2009) the dialectical biologists as pseudo-scientists.

Darwin's *Descent* rejects survival of the fittest. Natural selection, he argues, (including *random* variation and selection) shape plants, animals and humans. While Marx praised Darwin's evidence against biblical creationism (see Foster et al. 2008), he was more Lamarckian than Darwinian, i.e. believing that learned acceptance of characteristics influences human change (not plants and animals), he praised the work of Tremaux a French evolutionist. Marx also noted Darwin's insistence on the randomness of variation but rejected his emphasis on competition rather than cooperation. Unlike Darwin or Marx, Social Darwinists favour racial intervention in human affairs: eugenics—inspired by the German racist biologist Hæckel, later cited by Nazis. Their argument that racism is embedded in social structures (Vaughn 1989; Shelby 2002; Madva 2016) as Mitchell-Yellin (2018) forlornly concludes that racism cannot be countered. Yet, 'race' as a category is a racist social construction alterable. Fields (1990) surveys these arguments. Blackness became an easy identifier of race only as colonialism and slavery emerged (Bernal 1987; Gress 1998): its material base being the economic interests of colonialists and later proto-capitalists, now perpetuated by the convenience of having an industrial reserve army of labour and divisions in the working-class. A clear example of these economic interests is the Italian invasion of Ethiopia in 1935, supposedly bringing Christianity, while machine gunning Christian clergy in churches 1500 years old (Campbell 2021). Nazi Germany adopted black otherisation in addition to antisemitism (Schubert 2011). Italian and Spanish fascism adopted ultra-nationalism, Guérin (1973) says, paying attention to antisemitism only when pressed by Hitler.

15.2 Race: Colonialism and Imperialism

We cannot root out racism in public discourse without understanding its colonial and imperialist origins.

Racism doesn't cause colonialism and slavery, colonialism causes slavery. ... No one colonises innocently. Césaire (1955)

Slavery stole labour power and colonialism dampened human capital development, the emergence of trading routes, distortions of cash crops, coastal rather than east-west neighbour trade, low knowledge transfer and condemned Africans to low welfare and the standards of living. Rodney (1972)

15.2.1 *Superiority, Domination*

In 1550, Hanke (1974) tell us, Charles-V of Spain convened a meeting of theologians to decide if Amerindians could be justifiably enslaved: it reached no conclusion, but recommended baptism of slaves (Friede and Keen 1971). The conquistador misery continued into Mexico and Nicaragua. From Davis's (1981) Amistad ship rebellion to the British in Kenya (Elkins and Simeon 1979) there is as Miller (1995) says a presumption of black inferiority (Torgovnick 1990), a lower order than human—the arrogance of race (Frederickson 1982). Accepting racial stereotypes (Stephan and Rosenfield 1982) justifies the whipping the child, chopping off the feet of the runaway. Afterall, the Bible (Daston 2004; Bashir 2019) refers to Ham's blackness as a curse and (Leviticus) encourages slavery.

15.2.2 *Republican Slavery*

Republican cognitive dissonance justified slavery bringing shame on the idea of a European Enlightenment. Republicans reject domination by others (Pocock 1975; Skinner 1998), embracing freedom (Harrington 1992), while denying freedom to slaves. French republicans tried and failed to restore slavery in Haiti (James 1989) leaving revolutionary France nursing copies of the *Rights of Man*.

Washington, republican hero, Wood (2009) says, owned 135 slaves. Jefferson, author of the *Declaration of Independence* deprived 200 slaves of their *inalienable* rights. Morgan (1975) says perhaps 15 million were enslaved in the African holocaust. Madison (3rd President 1809–1817) owned 100 slaves, Munroe (4th President 1817–1825) and 75, Jackson (7th President 1829–1837) around 200 slaves, as did Presidents van Buren (8th), Harrison (9th), Tyler (10th), Polk (11th) and the 12th President Taylor (Howe 2007). How could republicanism and slavery be reconciled? Middlekauff (2005) argues only by economic self-interest, dwindling only faced with slave revolts and international opprobrium.

15.2.3 *Globalisation and Global Value Chains and Causal Direction of Racism*

Imperialism, unlike colonialism, exercises control using market discipline rather than gunboats and stationed troops (the USA has 134 foreign military bases). Marini's (1973) *Dialectics of Dependency* analyses these processes of domination, including the latent racism embedded in economic structures. Referencing Brazil, Marini (1973) argues, that exchange of primary for capital goods is unequal exchange encouraging foreign and indigenous capitalists to pay super-exploitative wages. Foster and Holleman (2014) link unequal value exchange with Odum and Sciencceman (2005) idea of unequal energy exchange (*emergy*) widening the overall metabolic rift (see Chap. 3). Perversely, the more efficient the value extraction the greater and more dangerous the energy transfer. Citing 20-year data from 133 countries using 6 variables, Althouse (2023) validates unequal ecological exchange, referring to the *curse of global value chain marginalisation*, as energy flows from periphery to core—by integrating core–periphery economies, capitalism increases natural degradation.

Marini's analysis connects closely with Amin's (1999) argument that if wage differentials are greater than productivity differences, differential wages exist; a view aligned with Wallerstein's core–periphery theory. Building on Marini, Smith's (2016) analyses global value chains (GVC) are a new conduit for international capital that forces down wages in MNC investments and indigenous local suppliers. He cites neoliberal international institutions supporting these value-flows to imperialist countries (see Mitchell and Fazi 2017). Noting Marx's reference to super-exploitation (V-I: Chap. 15) as relative SV replacing absolute, Latimer (2014) drops the assumption of undifferentiated labour (Chap. 25) to suggest super-exploitation is a new counter-vailing forces to the TRPF (see Chap. 13). Carchedi and Roberts' (2021) substantial empirical analysis suggests otherwise: the dominant value-flow is profit, not low wages and given the IRA, precarious employment already features in Marx's system. Capital accumulation not low wages remains the driver of the twenty-first century imperialism, racism part of its ideology.

15.2.4 *Caste, Class, Tribes, Race and Racism*

DuBois' (1935) story of *Reconstruction* concludes that southern blacks are a caste. Whereas class means conflicted relation to ownership of the means of production, caste is inherited, unalterable despite wealth, without inter-caste conflict (Guha 2000). For Wilkerson and Moellman (2023) this fits the situation of black workers in the southern USA during post-Civil War reconstruction: caste is spatial (not northern) and racial (socially constructed by southern white racists). Ambedkar (2014; Roy 2022) writing in India in the 1960 would have agreed, adding that Dalit in India join USA southern blacks to form an international caste of bonded labour.

For Wilkerson (2020), *caste is the granting or withholding of respect, status, honour, attention, privileges, resources, benefit of the doubt and human kindness to someone on the basis of their perceived rank or standing in the hierarchy*. She believes this describes post-Civil War South, Indian Dalits and Nazi Germany. She cites Myrdal (1944) designating caste in their study of USA democracy. Ambedkar's (2014) analysis of Indian castes and Du Bois' (1935) *colour caste* in the USA, note with Gross (2008) and Whitman (2017) that the Nazis modelled their Blood Laws on the USA legal framework. Chhabria (2010) agrees viewing caste now as a feature of *racialised unfreedom*.

The view that caste does not alter over history is contested empirically by Roy (1979) who shows how pre-Vedic and post-Vedic castes differed in India. Bose (1962) argues that caste always refers to occupation: it is for Marxists an ideological construction with some degree of superstructural autonomy. This view Mishra (2017) disputes, arguing that because of land ownership denial, caste is sub-structural. Bandyopadhyaya (2002) endorses the view that caste represents a division of labour arguing *There is a caste structure within each class, and a class structure within each caste*. Thus, caste permeates Indian social structures as an ideology, however the basic contradiction is land ownership and exploitation by a Brahmin class. A prerequisite for caste abolition is class abolition, including denial of land ownership: Ranadive (1979), Bandyopadhyaya (2002) and Beteille (2007) agree.

Do black workers in the USA form a caste? Wilkerson ascribes no change or revolutionary agency to the lower castes, only the aristocratic caste, hence the analysis while painting a glowing picture of life without caste, pessimistically offers no change route. Immutability of caste is unpersuasive given the growth of the black middle-class in the USA and the featuring of blacks (however tokenistic) in positions of power. Wilkerson says that class and caste overlap for blacks in the USA—it is as members of a working-class in struggle that socio-economic change will come. It is misleading to refer to southern USA blacks as a caste, they are mostly proletarians, continuing to suffer racist oppression.

15.3 Migration, Race and Public Services

About 300-million people have migrated internationally, some 50-million USA residents were born abroad, as was half London's population. Poverty, political instability, wars, terrorism and adventure are some of the causes pushing people to seek shelter and asylum in another country as refugees, asylum seekers or migrants.

Most African migrants move within their own country or within Africa (Schoumaker et al. 2015); South Africa and Côte d'Ivoire host most migrants. Of the 31 million leaving Africa, 75% head for the USA or Gulf states not Europe, only 9 of 47 African countries have a net immigration rate mostly the Horn of Africa and the East. Crossing the Mediterranean to Italy or Malta or Atlantic to the Canary

Islands is hazardous: illustrating determination to flee. One result has been 19,000 drownings in the Mediterranean attempting to cross in small boats.

Immigration is the chosen issue for right-wing parties in the USA and Europe, reinforcing prejudice and producing ‘scare’ stories about being ‘flooded’ by migrants undermining culture and destroying the welfare state (Barker 2018). Trump’s response was building a wall, Europe’s using immigration policies (including paying Turkey and Libya to place would-be migrants in camps) and limiting access to labour markets—Brown’s (2017) *walled welfare*. Sixty-five countries have erected walls; a few to keep people in, most to keep others out, unless (like Russian oligarchs or Saudi billionaires) they can buy an entrepreneurship visa. Commenting on the Zionist wall project, Prime Minister Ehud Barak says *us here, them there*; for Trump the wall separates *civilised and uncivilised nations*.

An irony for Europe is that declining populations and increasing dependency ratios ought to mean a welcome mat for young migrants (often skilled, hard-working and entrepreneurial). Blocking immigration increases refugee claims, made difficult by (a) lengthy waiting lists for decisions (75% of cases are approved) and (b) prohibiting work until the case is decided and housing in unwelcoming accommodation. Some migrants are highly trained doctors and professionals, raising the moral issue of taking much-needed talent from countries needing it most and depriving the country of a social return on investment in education.

15.3.1 Open Borders

Borders can be open (unrestricted international entry); conditionally open borders impose criteria, and controlled borders (e.g. visa entry) restricts entry. Washington (2023: 168) lists 21 reasons for open borders; here is a selection.

- Goods and capital have open borders, why not people—Shachar’s (2009) argument.
- Entrants seek work not necessarily citizenship.
- The 1951 Refugee Convention and 1967 Protocols allow entry if fleeing persecution.
- Entrants often must verify skills, sponsorship, health and/or lack of criminal record.
- Quotas privilege some skills and not others; companies support open borders.
- Developed countries cause migrations (wars, globalisation).
- Border controls are racist.

Only small numbers of people migrate international, though environmental refugees from SSA may rise. Harding (2000) points out, migrants are young, with a strong work ethic and desire to integrate, take little from welfare systems and contribute to taxes. Clemens (2001) estimates open borders would increase global gross world product by 67–147%. Dunbar-Ortiz (2021) shows that the USA is *not* a nation

of immigrants; it deports more people than are allowed to immigrate. Conditional borders are accused of using racist criteria.

Open borders work well. Schengen and Australasian open borders have not proven problematic. 15-countries in the Caribbean community, 12-countries in MERCOSUR, six-countries in the Gulf Cooperation Council; the 15-countries in ECOWAS; 7-countries in the Nordic Passport Areas; India with two adjoining countries, and the New Zealand/Australia free movement agreement. German labour supply benefited from the 2015 one-million migrants, half new businesses in Sweden are started by first-generation migrants. People enjoy multicultural living and remittances help inequality (Adams et al. 2009). Milanovic (1998) argues, place of birth is chance and should not be used to restrict or criminalise.

Right-wing propagandising around migrating gives rise to numerous myths. Ruhs and Vargas-Silva (2018) show that free movement does not suppress wages or cause unemployment. Border controls play to unfounded fears and right-wing racism. Most migration is internal, such as the massive Chinese urbanisation or pushed by wars.

15.3.2 *Modern vs. Classical Slavery*

Modern slavery unlike ancient chattel slavery, is limited in treatment of the slave and ability to sell as an asset. Shachar (2009) and Jones (2016) argue that Kafala-type schemes importing labour from the Philippines and Africa on time-limited contract to KSA and UAE constitute modern slavery, in that the temporary migrants have few rights and there are numerous abuse narratives. A separate issue is human trafficking by criminal gangs inducing young women to travel and then entrapping them in sex-work or similar.

Berry (1963) argues that Jim Crow rules and social standards in the USA south suffered race discrimination across public services. Schools, including church schools were racially segregated until 1962, after which many whites moved house to avoid desegregated schools. All services: waiting rooms, public buses and public parks were segregated; this included the Public Prosecutor service who failed to charge most of the Klu Klux Klan involved in the over 4000 lynchings of black men, women and children between 1877 and 1950. While black professionals might be accepted in mixed race company, Berry speaks of “passing” meaning whites pretending not to know black people in public, when perfectly civil in private.

15.3.3 *Discriminatory Public Services?*

Colonialism affects public services: lowering the GDP of ex-colony countries means less surplus to fund public services.

In the imperialist country, groups historically enslaved, such as blacks in the USA, may be marginalised (spatially and socially) and as part of the industrial reserve army of labour become welfare dependent. Ethnic minorities may be discriminated in education (school allocation and educational standards), housing (allocation system) or employment opportunities (local qualifications). Arguably not allowing refugees to work, while claims are considered, as in the UK, is discriminatory since 75% of applications are accepted. Getting employment or renting accommodation can be difficult without a settled address, bank account and identity papers. Some states discriminate by forcing refugees to claim state benefits when they would prefer to work. Brown's (2017) central point is that welfare systems can act as a barrier to migrant integration. This need not be so. In Finland, refugees have automatic rights to housing, a job and state benefits provided they (a) learn the language and (b) work.

Racism in public services is either structural or policy. An example of the latter is Makin-Waite's (2021) stories from the poor north-British town of Burnley. Lashing out against industrial decline, voters elected an overtly racist party to run the Council, who despite evidence of race discrimination, implemented racist housing and education policies. Structural racism can be found (again UK examples) in unemployment of ethnic minority groups double the white average (Lammy Review), higher incarceration rates, lower pay and fewer meritocratic opportunities for advancement (Ethnicity Facts 2023). Goodhart (2017) distinguishes 'anywhere' people (mobile, liberal, educated and beneficiaries of globalisation) from "somewhere" people (immobile, low-education and victims of globalisation), asking what about the bottom—30% in the labour market—he includes ethnic minorities? Racism and class disadvantages blend into immiseration. Sandel's (2020) critique of meritocracy also points to the disadvantaging of bottom-of-the-social-hierarchy groups of all races. Structural racism matches the disadvantaging what in the USA are called disparagingly *white trash* (see Isenberg 2016 and Vance 2017). Each group can suffer limited access and limited quality of public services and more generally socio-economic benefits (such as housing and career opportunities: the result of industrial reserve army membership). In both cases, the solution to the discriminations lay in radical social change that challenges immiseration and privilege. Racism is embedded in the USA judicial and policing public service systems. In other public services systems, discrimination is likely to be indirect.

15.4 Cross-Cultural Interactions

Cross-cultural exchanges can be fun, beneficial and innovative leading to deeper understanding and international friendship. Alternatively, sections of the working-class and lumpen-proletariat may adopt racist ideology, supporting discrimination based on race. Racist sub-cultures are intersectional, crossing other social fractures such as class, gender and sexuality. Sunstein (2009) notes of lack of interaction and self-referencing reinforces prejudice, Bourdieu's (1984) *habitus* featuring shared *morès*, frameworks, metaphors and legitimate activities.

Hofstede (1991) wrongly suggests there are universal cultural traits and Lewis (2007) that cultures can be indexed by preferability. Cultures are multidimensional, interlayered and interpenetrative, for example, in national, regional, occupational and workplace cultures (Lincoln and Kalleberg 1982). Otherising sacrifices authenticity (Urry 2016; Potter 2010) or seeks to impose values—Debord's (1990) *Big-Macification*. At work, emotional labour means adopting a false persona: Hochschild's (1998) ever-smiling air-hostess, who even take their (false) smile home.

Importantly, sub-cultures are changeable, dissonance describes clashing sub-cultures (e.g. the racist trade union official): an important learning opportunity. Gramsci's (1957) counter-hegemonic blocs are culturally based onslaughts challenging other (hopefully right-wing) sub-cultures. Thus, Lisa Chu's *Little Soldiers* describes her American son's life in a Chinese primary school and her adoption of the Chinese sub-cultural respect for the Teacher, at odds with the American experience. Hakim's (2011) *Honey Money* describes her disgust at male attitudes towards women until finding how the erotic can be weaponised to favour women. Guyer (1995) shows how Atlantic Africans are bemused and astonished at how important GDP and other abstractions are in economics compared with real relations between real people. Césaire's (1955) *Discourses on Colonialism* calls for *negritude economics*: measure what matters to us not outsiders; be proud of your own culture not envious of others! Schein (2010) points to companies using cross-cultural team sub-cultures to their advantage securing a diversity of ideas into new product design or alternatively suffering from cross-cultural distrust and a dysfunctional team (Manrai and Manrai 1996). Weick (1979) *consensually validated grammar for reducing equivocality by means of sensible interlocking behaviours ... sense making activity*.

Even some racist voters enjoy the company of people from other cultures; their life experience clashes with capitalist, divisive ideology. A confident working-class embraces diversity as an opportunity to learn and progress.

15.5 Marxism and Racism

Marx was a refugee from tyranny, who supported other refugees (1848, 1871). He was internationalist to the core as his work on India, the USA, Russia and China, against colonialism and slavery demonstrated. As Secretary to the first Working

Men's International, he supported individual trade union and major international struggles. His slogan was *workers of all countries unite!* In the Communist Manifesto we read,

Direct slavery is as much the pivot upon which our present-day industrialism turns, as are machinery, credit, etc. Without slavery there would be no cotton, without cotton there would be no modern industry. It is slavery that has given value to the colonies, it is the colonies that have created world trade, and world trade is the necessary condition for large-scale machine industry. Slavery is therefore an economic category of paramount importance.

Here we consider Marx and Marxists approach to issues arising from racism in public services, from imperialism, slavery, racism as a product of capitalism, reparations for slavery and colonialism, eradicating racism and the experiences of socialist countries and racism.

15.5.1 *Racism as False Consciousness*

False Consciousness for Marx and Engels

Workers in most countries could reject racism, could elect a socialist government, but they do not. Marx's explanation is false consciousness.

Racism is an ideology, a false consciousness, for Ilyenkov's (2020) an idealism explaining society, not by exposing its essential capitalist character but mediated by capitalism culture and market relations. For Marx consciousness, false or otherwise, is part of the symbiosis between social relations of production and social relations of reproduction—the glue maintaining capitalism as a social system. As the *Holy Family* (MECW-V:4) argues, instead of workers viewing themselves as part of a collective working-class, false consciousness individualises their social place, alienating relationships. Epistemically, false consciousness entails referencing capitalism as naturalistic and unalterable, rather than historically transitional and changeable, consciousness is demonstrated when workers exercise their collectivity.

Just as Darwin discovered the law of development or organic nature, so Marx discovered the law of development of human history: the simple fact, hitherto concealed by an overgrowth of ideology, that mankind must first of all eat, drink, have shelter and clothing, before it can pursue politics, science, art, religion, etc.; that therefore the production of the immediate material means, and consequently the degree of economic development attained by a given people or during a given epoch, form the foundation upon which the state institutions, the legal conceptions, art, and even the ideas on religion, of the people concerned have been evolved, and in the light of which they must, therefore, be explained, instead of vice versa, as had hitherto been the case. Engels (1883) Speech by Marx's graveside.

In the *German Ideology* (MECW-V-5), Marx and Engels say false consciousness is misplaced beliefs about reality; illusions and self-deceiving imaginings that replace the materialist-based knowledge that sensemaking of their own experience would reveal (Pine 1993). As they say,

The ideas of the ruling class are in every epoch the ruling ideas, i.e. the class which is the ruling material force of society, is at the same time its ruling intellectual force. The class which has the means of material production at its disposal, has control at the same time over the means of mental production, so that thereby, generally speaking, the ideas of those who lack the means of mental production are subject to it. The ruling ideas are nothing more than the ideal expression of the dominant material relationships, the dominant material relationships grasped as ideas. (German Ideology, MECW-V:5)

False consciousness is *mediated by thought* rather than confidently interpreting their own historical experience; collective illusions perpetrated in capitalism media and cultural output. Rather than acting for-itself, Lenin says (V-14) the working-class is disunited and alienated by *spiritual moonshine*, not learning from practice. He goes on (V-38:92) in discussing dialectics as a theory of cognition to argue the importance of a Party and intellectuals to interpret working-class experience, acting as a memory for the working-class. Lichtheim's (1964) *Concept of Ideology* points out that whereas for Hegel consciousness is individual and psychological, for Marx is social and collective. True consciousness Fromm (2009) says in *Beyond the Chains of Illusion* reveals the working-class's role as liberating society from capitalism. Geuss's (1981) *Idea of a Critical Theory* lifts the veil to reveal the truth, providing enlightenment and emancipation, revealing the essential, germ-cell of capitalism: accumulation at the expense of workers.

Critiques of False Consciousness

McLellan (1995) in *Ideology* criticises the notion of false consciousness arguing (wrongly) it is a crude idea introduced by Engels and never used by Marx. Althusser (2014) in *Marxism and Humanism* portrays false consciousness as a competition for truthhood—false ideas supersede science. Talk of the objective interest of the working-class only opens further issues. Ricoeur (1965: 32) refers to Marx as a *master of suspicion* and dismisses false consciousness as a circular argument. For Foucault (1972) *knowledge is power*; the bourgeoisie popularise ideas mystifying capitalism.

Viewing themselves as post-Marxists the critical theory developed by the Frankfurt School (Jeffries 2016) disconnects consciousness (false or otherwise) from a Marxist material base, individualising the world of ideas (Horkheimer 2002) and (Benjamin 1955) pessimistically explaining the dominance of capitalist culture rather than how it can be overturned. Latterly, Habermas (1986), focusing on communicative rationality reduces consciousness to the process of searching for truth, valuing the critical processes above the outcome. The Frankfurt School has become synonymous with elitist Marxology.

Lukács sought to replace dialectical materialism with an ethical critique of capitalism, using the notion of reification, meaning, as Jones (1971) says, relations between humans take on the appearance of relations between things from which in his (2000) *Dialectical Laws of History and Nature*, only deterministic prognoses flow. While the bourgeoisie has a totality of consciousness, the working-class is

fragmented and deficient—both the subject and object of history. Lukács' (1923: 80) *History and Class Consciousness* calls for the *ideological maturity of the proletariat* and then proceeds to show how this is unachievable because of the all-pervasive power of false consciousness—criticised by Eagleton (1991) and Perkins (1993) as idealism.

The entire corpus of post-modernism can be viewed as a rejection of Marx's theory of false consciousness, since relativism lends equal weight to all ideology: it cannot be false if people believe it to be true is the mantra.

Marxist Development of False Consciousness

These ideas are successfully challenged by Marxists. Seliger (1979) in *Marxist Conception of Ideology* acknowledges that in their later work, Marx and Engels use ideology rather than the term false consciousness: Cohen (1968) and Eyerman (1981) agree. The key point is that ideologies disconnect from material base, from worker's lived experience, Žižek's (2017) pseudo-Marxism means he misses this point. Mészáros (1986) in *Philosophy, Ideology and Social Science* speaks of *practical consciousness*—rejecting the interpretation of social facts suiting capitalism and instead digging into material reality. Callinicos (1985) in *Marxism and Philosophy* rejects the criticisms of false consciousness by McLellan, Žižek and others noting that ideas are weapons in the class struggle with every struggle exposing the falsehood of aspects of capitalist culture. Agreeing, Artinian (2017) points out that an uncritical outlook simply accepts how capitalist culture mediates our view of society, for Marxists however, all idealisms in capitalist culture can and should be exposed as false consciousness.

From the many contributors to Marxist theory of false consciousness here we consider three: Gramsci, Lukes and Ilyenkov all of whom agree that false consciousness/ideology are capitalist ideas disconnected from worker's lived, material experience. The commodity is an example: ideologically a for-sale item with a price; but analytically a value relationship explaining exploitation.

- Gramsci (1971) views false consciousness as non-coercive, ideas and outlooks naturalising capitalism using hegemonic ideas that appear common sense. He urges socialists to use popular culture and drawing attention to worker's lived experiences to create counter-hegemonic blocs that challenge capitalist ideas, for example a shared interest with ethnic groups in raising wages and defending public services.
- Lukes (2005) differentiates power as (a) physical, (b) authority and (c) (2005:27) power to *get another or others to have the desires you want them to have*—this can take the form of false consciousness—the elite class getting the subordinated classes to accept their view of the world, it is the *power to mislead*. Foucault's (2006) search for truth is nowhere, instead believability matters, *regimes of truth*. Unaware of their own class's history or historical destiny, workers uncritically accept the capitalist viewpoint. The task of socialists is to draw attention to how

worker's interest conflict with those of capitalism, for example rejected capitalist use of race to divide the working-class.

- Ilyenkov (2008, 2020) views false consciousness as idealisms disconnected from the material reality of workers. He emphasises that the falsehood is not individual and psychology, but collective and reproduced in cultures. Socialists cannot rely on conflicts to expose false consciousness and instead should point out how false consciousness subordinates the whole working-class, including racial minorities. He gives examples of the American Dream or colonial superiority that socialists can expose as false.

Racism is a type of false consciousness as is sexism and other prejudices that divide the working-class. False consciousness is exposed by calling attention to material reality, giving coherence to concept of class-for-itself historically and envisioning a better future.

15.5.2 *Are Capitalists to Blame for Working-Class Racism?*

Every crisis in the USA exposes the subjugated position of black workers: Hurricane Katrina, Covid deaths, 2008 debt and home repossessions, unemployment and incarceration. Marxists explain the continued strength of racism and preparedness of white workers to support openly racist candidates by referring to false consciousness and campaign on anti-racist platforms in working-class organisations. However, Wilhelm (1980) poses the legitimate question why then does racism persist amongst the white working-class? Are Marxists clearly linking racism to the shared material conditions facing both black and white workers making *black and white unite and fight*, more than a slogan? These questions are not confined to the USA and face the Marxist movement in Europe and Asia (Bonnett 2019). In summary, why are capitalists to blame for racism in white working-class? Frustrated by absence of progress, Robinson (1983) characterises USA capitalism as *racial capitalism* and completely rejects Marxism arguing that racism preceded capitalism—that black liberation takes precedence before class liberation. An adjective (racial) does not alter meaning of the noun (capitalism): racial capitalism may as a descriptive term apply to the USA, it lacks rigour as a scientific term.

Criticisms of Marx and Engels are unfair. In their day, divisions in the international working-class outside of the USA more prominently featured nationalism than racism. Marx's writing denouncing colonialism and slavery are a major part of his corpus. Their efforts against nationalism in Europe proved prescient when the German Marxist party, the SDP in 1914 voted for war credits, urging Europe's workers to don uniforms and kill each other in the interests of capitalism. During the USA Civil War, Marx said that USA labour movement was *paralysed as long as slavery disfigured a part of the republic* and that *Labour in a white skin cannot emancipate itself where it is branded in a black skin* (*Capital-V*:1:414), see also

Post 2011 on northern migration into cities from rural USA. In (Capital-V:1:995), he denounced primitive accumulation from colonies.

During the revolutionary period in the Soviet Union (pre-1928 and Stalin's omnipotent rise), Lenin analysed western labour movements response to imperialism (Lenin-V:23) noting how an aristocracy of labour benefited from colonial value-flows and in L-V:23 *A Caricature of Marxism and Imperialist Economism* criticised the failure of western labour movements to adopt an anti-imperialist stance. The 3rd (Communist) International (CI) pledged to support *every form of the Black movement that either undermines or weakens capitalism* and to *struggle for the equality of the white and Black races, and for equal wages and equal political and social rights*. This included the right to trade union membership, which if refused the CI would help organise black only unions (Zumoff 2014). CI overall fought for colonial independence and 'race' a social construction.

Still Fanon (1964) and Rodney (1972) commented on how deeply colonialist racism infected the working-class and Du Bois (1935) spoke of the *public and psychological wage* enjoyed by white working-class. Continued exploitation of blacks in housing, health, labour markets, etc. As black power separate organisations flourished, Huey Newton (1974) rejected the nation state calling for *revolutionary inter-communalism* independent institutional arrangements for blacks in the USA south. Leftist groups joined (often non-violent) black organisations in the USA civil rights campaigns only to find after (around) 1973 the growing strength of neoliberalism and weakening of Marxist and left-wing parties and organisations at a time when the centrality of racism and gender and identity were a major theoretical and practice focus. Marxism was further weakened by the collapse of the Soviet Union. Also adding to the weakening of all leftist movements, the collapse of 'old' industries often further spatially isolated black communities in the USA and Europe (think of Detroit, the French *banlieue* and British northern mill towns). Poor working-class and black communities felt the sting of poor education in knowledge-based service jobs and growth of IRA (precariat). The Panthers responded by taking up armed struggle.

In summary, are capitalists to blame for racism in white working-class? Capitalism may offer preference in jobs to poor whites who public services may directly or indirectly favour. In such cases, racism has the economic basis of defending privilege. Capitalism also supports false consciousness via its media discouraging working-class organisations from rooting out racism or building the alliances that unite working-class struggles. Single-issue campaigns (BLM) only have lasting effect if incorporated into wider programmes for change, otherwise divisions weaken working-class organisation.

15.5.3 *Eradicating Racism*

Racism is inherent to capitalism and will not be eradicated until class society is buried. In class society classes and groups within classes compete for dominance. So long as the poor whites believes society makes them superior to the sub-black group, racism will flourish. Marxists see the germ-cell essence of racism as being class society, an analysis that needs updating considering the alliance-building mentioned above.

Terminology: Racism, Nationalism and Fascism

It is important not to conflate racism, fascism and nationalism—terminology matters. Patriotic pride in one's nation differs from nationalism that otherises and demeans, though nation states are historically new and may prove transitory. Fascism is the use of state power on behalf of big business to weaken working-class organisations. Mussolini invaded Ethiopia displaying racism with machine gun attacks on unarmed villagers and Orthodox Christian priests, however, they had to be goaded by their German ally to deport Jews to concentration camps. German fascism was overtly racist and gassed gypsies, communists and disabled people (Guérin 1973). Fascism then is quite different from nationalism and racism. Marx's insistence on democracy in workplaces and communities is a call for mutual understanding and learning echoing Socrates dictum about citizenship of the world.

Since public services play a critical role in eradicating racism this section begins by examining their contribution and then summarises Marx's (incomplete) analysis of racism. Four brief standpoints explore countering racism: (a) Racial capitalism—USA; (b) ex-colonial countries—Europe; (c) ex-colonies where whites dominate (S Africa, Oz, NZ and Canada) and (d) Asian racism.

Public Services Key Role in Eradicating Racism

Building public services is a platform for transition to post-market, post-capitalist society and includes the fight for education and in workplace and society and at individual and collective level eradicating direct and indirect race discrimination.

- Trade Unions in workplaces can initiate programmes deepening learning around racism for example Ligocki et al.'s (2021) suggestion of racism book clubs, self-criticism sessions on attitudes, perhaps using Dyrd and Chaunda's (2010) model built around live-experiences: educate on history, on current racism issues, identify appropriate racism dismantling initiatives and begin a social justice programme; the latter linking to wider social class structures and inequalities and actively seek demonstration opportunities.
- School programmes rooting out white and blackness as invisible uniforms, identifying resource issues, surveying numbers of black teachers and curricula

design, investigating events and issues in the school, what Caldera (2020) terms a call-to-action for school leaders. A key point Dumas (2016) makes is challenging any *disgust with blackness*, involving all staff and young people in eliminating racism. Instead of over-dosing on empathy (Bloom 2016) taking actions against root causes.

- Health care can be racially segregated. Dhaliwal et al. (2022) use the example of endocrine diseases in the USA (obesity, osteoporosis, thyroid cancer, see Beatty Moody et al. 2019) with proven racial inequalities (Golden et al. 2012). Using Apollon et al.'s (2014) classification (internalised, interpersonal, institutional and structural) they show that some racial groups have double the 7.5% of population found in whites using 7CDCP (2020) data. Following O'Neill (2017) and Eubanks (2017), they find prejudice embedded in clinical algorithms used to determine patient pathways (Vyas et al. 2020), illustrating how deeply rooted into healthcare systems racism can be. They also find black excluded from some T2D care (Meng et al. 2016) and averse to the telemedicine employed during Covid. Turner (2018) finds that eliminating healthcare racial disparities in the USA would add US\$ 135-billion per year to GDP.

One of your author's proud moments as Convenor of Shop Stewards at International Harvester, Bradford, England was in response to a racist fight between two workers. Management suspended both without pay. The Trade Union collected contributions from the 4500 workers to pay the black worker's lost wages, making the point that we stood against racism. We had no more racist incidents.

These three examples of public service activity challenging racism and guiding participants into a wider critique of capitalist society are of general interest and could be multiplied hundreds of times. They demonstrate how important public services are in reducing racism and using racism reduction as a route into social critique.

Marx's Uncompleted Analysis

In the *Jewish Question* Marx (1844:33), Marx differentiates political freedom from economic freedom, absence of which he says is the root cause of oppression. His analysis and abhorrence of slavery is well-known including emphasis on primitive accumulation from hyper-exploitation providing starter capital for American (and some British) capitalist companies. Sensitive he notes (Capital-1:345; also Anderson 2022) that the systematic breeding of slaves after trade bloc (1807) brought hyper-exploitation by lengthening the working day and literally working slaves to death. Although not using the words, he noted (Capital-1:381) the USA's shift from a society with slaves to a slave society, institutionalised potential by new

three Senate seats from the Texas territory. His letter to Lincoln (MECW-20:20) on behalf of the first International notes that northern whites lack freedom so long as the Republic allows slaving, also commenting (Capital-1:414) *Labour in a white skin cannot emancipate itself where it is branded in a black skin* and was amongst the first to call for black regiments in the Civil War (MECW-41-400). Like Du Bois (1935), he saw Reconstruction as an opportunity to deepen democracy and disperse land ownership (MECW-42:48). However, he noted lack of support from white workers, including poor white hill farmers (MECW-41:306) drawing a parallel with the *impotence of the English working-class* during Irish famine and oppression.

Marx was writing a meta-critique and did not comment as Du Bois did (1935:700) on the *psychological wage* of whites or as Ignatiev (1995) was later to note, how white migrants, such as the Irish, soon adopted racism. Unlike some of the black theorists, Marx played an active part in the campaign to support the North in the Civil War (MECW-19:153), including mass rallies. Perhaps the closest Marx came to micro-level analysis was his comments of suicides in France (on Peuchet at MECW-4:597). He did however offer a route to radical social change, insisting emancipation had to be a bottom-up democratic effort by (majority) working-class and not a top-down clique.

The question Bakan (2004) and others ask, *Is Marxism Eurocentric* is already answered by Marx, who realised that the development model for capitalism was inappropriate to the Russian villages he studied, also India and China. He began working on AMP and possibly multiple modes. Marx was the last to suggest that he had a totalising framework except at the abstract level of classes and value expropriation (Bannerji 1995). In the field of racism, his lasting contribution was analysis of slavery, introducing the concepts alienation, oppression and exploitation—still widely used—and the argument that ‘race’ is a social construction, without naturalistic foundation in biology and that it is divisive amongst the working-class.

USA Racial Capitalism and Eradicating Racism

The USA differs from other capitalism countries in that slavery continued into the capitalist period (an original sin lasting 245 years). We reject Robinson’s (1983) notion of *racial capitalism*, except as a vague descriptor and follow instead Angela Davis’s (2016) view that capitalism as framed by Marx in the case of the USA is institutionally racist and that white supremacism permeates all socio-political and economic relations. This echoes Robinson saying all *development, organisation and expansion of capitalist society have racial overtones*. With Malik (2023), we reject identitarian politics, setting race against gender and undermining working-class unity, which needs constantly emphasising. Patterson’s (1982) critique of slavery as *social death* dehumanising black people is a good starting point.

Outside of Marx’s system and concepts intellectual rigour can be lost. For example, Anderson (2022) describes the January 6, 2021, protest at Capitol Hill as a *fascist coup attempt*: in the Marxist tradition ‘fascism’ is more than a boo-word. *Racial* refers to African slave descent of workers more exploited and oppressed than

others. *Capitalism* is a system of accumulation by expropriation and justifying these concepts scientifically an opportunity to raise consciousness and eradicate racism (Uslaner 2012).

Micro-level eradication begins with white workers analysing their material privileges (Lee 2019). Maoist self-criticism is a model using friendship and Union groups, perhaps citing social learning frameworks in listening and learning from those suffering racism seeking out overt and implicit racism. In the USA, indigenous people too must be involved. Eradication should include active education in the home and celebrating diversity.

Eradicating Racism in Ex-colonial Countries (European Countries)

Without racism there would be no presumption of occupying other peoples' land and often mistreating and killing them. Europe is overloaded with liberal intentions in human rights laws and conventions. Yet marshalled behind right-wing anti-migrant policies, the continent now houses openly racist Governments (Hungary, Italy and Netherlands) and participation even in some Nordic Governments. Richardot's (2023) research in France finds nine out of ten black people have suffered discrimination. Formal policies and exhortations are insufficient to eradicate racism in Europe, which begins by acknowledging the problem. What to do?

Eradicating Racism in Ex-colonies Where Whites Dominate

Australia and Canada each have terrible records of treating indigenous peoples (land grabs, forced removal of children, health and education discrimination). Australia's white-only immigration policy only ended in the 1970s. South African apartheid is documented and discussed earlier. NZ makes efforts at integration. Elkins (2023) records systematic racist violence throughout the British Empire against indigenous people, calling special attention to a powerful *liberal imperialist* ideology in the white settler colonies. Only in recent years, with immigration by non-British, especially Asians are racist policies changing, leaving a residue of racism amongst older settler families and communities, with overt racist parties periodically appearing [think *white Australia*, e.g. the British in Indonesia (Van Reybrouck 2024)].

Liberal imperialism, the *Gospel of the English* referencing the *white motherland* ideologically justified appalling violence towards indigenous peoples. It is an ideology woven into the fabric of Australian, New Zealand, Canadian and South African societies today, and remains a powerful thread of racist superiority in British society: everybody loses. Aside from New Zealand, these are large, sparsely populated countries (Australia 26-million; Canada 38-million; South Africa 60-million; New Zealand 5-million), rich in minerals and natural resources, in short potentially with a future good life for all. Canada, New Zealand and Australia are now in the USA

orbit, imitating its consumer culture and joining the anti-Chinese Five-Eyes alliance (Kerbaj 2022).

These countries have made formal efforts to reconcile what is left of indigenous populations. Yet the legacy of violent racism remains fresh and its economic consequences on the lives of indigenous peoples apparent in employment, higher education and social status. Self-satisfied post-racism should have no place. Only by fully exposing the violence of liberal imperialism can these countries come to term with their past, present and future. Eradication of racism will take generations and is best continually grounded in material factors.

Eradicating Racism in Asia

Asians are used to being discriminated against, e.g. California anti-Chinese laws, as Tchen and Yeats (2013) detail responses to the perceived *yellow peril* humiliating Chinese migrants. Within Asia, Japanese Fascism (Tansman 2009) was murderously racist towards both other Asians and ‘white’ Europeans, for example, Van Reybrouck’s (2024) Indonesian stories. Migration into east-Asian countries has been small until recently when Chinese cities have encouraged ‘talent’ immigration, welcoming outsiders. However, the 1.5-million immigrants into South Korea, Bonnett (2019) notes, has resulted in racist disapproval, for example recruiting only white English teachers. Hindu nationalism (Doniger 2010; Shah 2018) has a racist edge towards Muslims which periodically breaks out into violence.

Different challenges because of history begin with historicising. Eradicating racism in society and public services requires working-class organisations and overturning class society.

Antisemitism and anti-Zionism

Marx was resolutely opposed to antisemitism; his father was forced to renounce Judaism to continue working. In *The Jewish Question* (MECW-5) he vilified Bauer’s antisemitism and later that of Hess. His critique drew on active materialism relating discrimination to the economic position occupied by Jews in western Europe and calling for dis-alienating return to human essence as opposed to social beings perpetrating racism. In personal letters also (to Engels 1844, MECW 38:11–14), he links the struggle for socialism with anti-racism. Marx’s life was pre-Zionism.

Following Roman rule, Jews migrated from Palestine forming three diaspora groups (Ashkenazim, Sephardim and Mizrahim). Faced with antisemitism and seeking new economic opportunities in the late nineteenth century, many migrated to the USA, where they faced similar discrimination (Christophers 2013). In 1897, Hurzl established the Zionist movement calling for a homeland, few Jews migrated, Arabs and Jews peacefully shared Palestine under Ottoman tutelage. Seeking military bases to protect oil interests, in 1917, the British Foreign Secretary, Balfour, announced *a land without people for a people without land*. Of course, ‘without

people' surprised Palestinian Arabs. Zionism had little traction until the Nazis murdered Europe's Jews leading to mass migration and forcible exclusion of Arabs (the *Nakab*), an Israeli state was internationally recognised in 1947, and in the 1960 the USA took over support for Israel from USSR.

For some Jews establishing the state of Israel runs counter to their religion; these anti-Zionist Jews are not antisemitic, discussed in Soske and Jacobs (2015) and Abunimah (2022). The UN and most western states now accept anti-Zionism as antisemitic. Marxists reject this conflation believing it is possible to oppose the theocratic Israeli state without antisemitism, favouring a non-theocratic unitary state respecting all ethnicities and cultures.

Reparations?

Should slaver countries pay reparations compensating for historic slavery? Rodney (1972) thought so, citing the value sucked out of Africa (both people and minerals) which distorted African development. Bittker (2003) while pointing to difficulties identifying who should be compensated for what and how much and by whom. He notes the responsibility of the USA Government *after* liberation for allowing employment discrimination against blacks in breach of the constitution. While indigenous Indians have tribes, blacks often cannot trace their pre- or post-liberation family discrimination and may not be able to establish 'blackness'. Could school Boards in areas of black density receive compensation? Bittker suggests that full reparations would cost 20% of the annual USA federal budget. USA and western Governments resist talk of reparations despite acknowledging their benefit from slavery (Sinha 2016). If these Governments seriously helped education and health in affected African countries and kept their promises on development aid and UN COP promises to fund environmental sustainability, then the value transfer might count towards reparations. This is unlikely especially given the history of *American for the Americans* prejudice the Lee (2019) records and the resistance to Piketty's (2013) proposed wealth tax (Delong et al. 2017).

The Marxist view is that socialist economies will soon reach abundance and that its benefits should be shared with an association of less fortunate states.

Public services aim to provide justice faced with inequality and discrimination. For poorer people, public services provide a lifeline to a decent life. It is imperative that public services actively pursue policies uplifting minorities: affirmative action redressing historic and current injustice. Yet, public services policy and structures can act to reinforce material prejudice and discrimination. The task of socialists is to expose and root out prejudices, building working-class activity in solidarity with racial minorities.

Racism causes and caused by colonialist superiority involving grabbing land and resources and subjugating indigenous peoples. All colonialism is based on the premise that indigenous lives and ways of living are inferior, less human. These attitudes linger in today's racism shown in the new American Empire and the (white) ex-colonies.

Discussion of scientific racism highlighted its flaws yet continued existence in the Social Darwinism of many current right-wing parties. Debates around CRT demonstrated the need to historicise racism and dig into its root causes. Capitalism causes racism, Sect. 15.5.2 argued, dividing the working-class by offering economic privileges to sections of the working-class and by perpetrating racist ideology in their media and dominant culture.

This chapter considered concepts and frameworks relating to racism, highlighting the dissonance in republican slavery. It rejects arguments that southern blacks in the USA form a caste since have agency as part of working-class to change social hierarchy. Noting how GVCs impose wage level below reproduction level, we argued with Carchedi and Roberts that capital accumulation and absence of investment opportunities of profit rates fall, is the driver of capitalist relations and not low wages. Forms of modern slavery and caste in India were discussed and Sect. 15.5.1 racism as false consciousness accepted.

While noting the anti-immigrant ideology pursued by right-wing parties, Sect. 15.3 concludes that open borders are justified. We call attention to the need for working-class organisations to call out discrimination (direct or indirect) in public services policies or structures, addressing the difficult question that in some cases sections of the working-class benefit from discriminatory policies.

Section 15.5.3 examined the challenges of eradicating racism, noting the critical role of public services as instruments for attacking injustice; education, healthcare and housing being examples. The USA is taken as a special case since slavery persisted into the capitalist period and the size of black minority remains large and discriminated against. We noted also the particular challenges facing the ex-colonial white states, none of which has rooted out racism to indigenous peoples. Asian racism posed different issues, noting the rise of Hindu nationalism discriminating against non-Hindus and Indonesia's blighted history from the Japanese occupation. We argued that critiques of Zionist Israel cannot be considered antisemitic and instead called for a single, non-theocratic, democratic Palestinian/Jewish state. The record of socialist countries (China and Cuba are examples), against racism is good, blighted by some of Stalin's policies in Russia.

In all cases, eradicating the economic basis of racism must be accompanied by long-term education historicising racism and working-class history for children. Rooting out racism requires making visible its causes in class-ridden society, posing the need for socialist transition.

References

- Abunimah A (2022) *The battle for justice in Palestine*. Haymarket Books, Chicago, IL
- Adams RH, Cuecuecha A, Page J (2009) *Remittances, Consumption and Investment in Ghana*, Policy Research Working Paper Series 4515, World Bank, <http://documents.worldbank.org/curated/en/140991468250301127/Remittances-consumption-and-investment-in-Ghana>
- Althouse J et al (2023) Ecologically unequal exchange and uneven development patterns along global value chains. *World Dev* 170:106308

- Althusser L (2014) On the reproduction of capitalism: ideology and ideological state apparatuses. Verso, London
- Ambedkar BR (2014) The doctor and the saint: caste, race, and annihilation of caste: the debate between BR Ambedkar and MK Gandhi. Haymarket Books, Chicago, IL
- Amin A (1999) An institutionalist perspective on regional economic development. *Int J Urban Reg Res* 23(2):365–378
- Anderson KB (2022) Revisiting Marx on race, capitalism, and revolution. *Monthly Review*, March
- Apollon D, Keheler T, Medeiros J, Lorraine Ortega N, Sebastian J, Sen R (2014) Moving the race conversation forward: racial discourse change in practice—part 2. *Race Forward*. The Centre for Racial Justice Innovation. Accessed March 17, 2021. https://act.colorlines.com/acton/attachment/1069/f-0115/1/-/-/-/Racial_Discourse_Part_2.PDF
- Ariel B, Wain N (2014) Tracking of police patrol. *Polic J Policy Pract* 8(3):274–283
- Aronson B, Laughter J (2016) The theory and practice of culturally relevant education: a synthesis of research across content areas. *Rev Educ Res* 86:1
- Artinian A (2017) Radical currents in Soviet philosophy: Lev Vygotsky and Evald Ilyenkov. *Social Democr* 31(2):95–121
- Bakan A (2004) Is Marxism eurocentric? *Marxism*, vol 3
- Bales K, Trodd Z, Williamson AK (2009) *Modern slavery*. One World, Oxford
- Bandyopadhyaya J (2002) Class struggle and caste oppression: Integral strategy of the left. *The Marxist* 18(3–4):1–11
- Bannerji H (1995) *Thinking through: Essays on feminism, marxism and anti-racism*. Women's Press, Toronto
- Barker V (2018) *Nordic nationalism and penal order*. Routledge, London
- Barkun M (1997) *Religion and the racist right*. The University of North Carolina Press
- Bashir H (2019) Black excellence and the curse of Ham: Debating race and slavery in the Islamic tradition. *ReOrient* 5:92–116
- Beatty Moody DL, Taylor AD, Leibel DK et al (2019) Lifetime discrimination burden, racial discrimination, and subclinical cere-brovascular disease among African Americans. *Health PsycholHealth Psychol* 38(1):63–74
- Beinart H (1996) *The expulsion of the Jews from Spain*. Littman, Oregon
- Benjamin W (1970/1955) (Arendt H Editor) *Illuminations*. Bodley Head
- Bernal M (1987) *Black Athena: The Afroasiatic roots of classical civilization (The Fabrication of Ancient Greece 1785–1985)*, vol 1. Rutgers University Press
- Berry B (1963) *Almost White: A study of certain racial hybrids in the Eastern United States*. Macmillan, New York
- Beteille A (2007) Classes and communities. *Econ Polit Wkly* 17(9):45–52
- Bittker BI (1973) *The case for Black reparations*. Beacon Press
- Bloom P (2016) *Against empathy*. Random House, London
- Bonnett A (2019) Asia has its own strands of racism. It's time to take them seriously. *The Diplomat*. <https://thediplomat.com/2022/06/asia-has-its-own-strands-of-racism-its-time-to-take-them-seriously/>
- Bose NK (1962) Class and caste. *Econ Wkly* 17(35):1337–1340
- Bourdieu P (1984) *Distinction*. Routledge, Abingdon
- Bridges L (1999) The Lawrence Inquiry—incompetence, corruption, and institutional racism. *J Law Soc* 26(3):298–322
- Broberg G, Roll-Hansen N (2005) *Eugenics and the Welfare State*. Michigan State University Press, Michigan
- Brown W (2017) *Walled States, Waning Sovereignty*. Zone Books
- Brown-Jeffy S, Cooper JE (2011) Toward a conceptual framework of culturally relevant pedagogy: An overview of the conceptual and theoretical literature. *Teacher Education Quarterly*, Winter
- Bushman RL (1967) *From Puritan to Yankee – Character and social order in Connecticut 1690–1765*. Harvard University Press, Cambridge, MA
- Butcher J, Gonzalez (2020) *Critical race theory, the new intolerance, and its grip on America*. Heritage Foundation

- Caldera AL (2020) Eradicating anti-black racism in U.S. Schools: a call-to-action for school leaders. In: Diversity social justice, and the educational leader, vol 4, p 1
- Callinicos A (1985) Postmodernism, post-structuralism, post-marxism? *Theory Cult Soc* 2(3):85–101
- Campbell I (2021) *Holy War: The untold story of Catholic Italy's crusade against the Ethiopian Orthodox Church*. Hurst, London
- Carchedi G, Roberts M (2021) The economics of modern imperialism. *Hist Mater* 29(4):23–69
- Césaire A (1955) *Discours sur le colonialisme*, Quatrième édition. Présence Africaine. [En ligne], consulté le 23/07/2021 sur: <https://www.larevuedesressources.org/IMG/pdf/CESAIRE.pdf>
- Chhabria S (2010) Where does caste fit in a global history of racial capitalism? *Race Capital* 32:2/3
- Christophers B (2013) *Banking across boundaries: placing finance in capitalism*. Wiley-Blackwell, Chichester
- Clemens E (ed) (2001) *Private action and the public good*. Yale University Press, New Haven
- Cohen GA (1968) Bourgeois and proletarians. *J Hist Ideas* 29(2):211–230
- Craig G (2013) Invisibilizing 'race' in public policy. *Crit Soc Policy* 33:4. <https://doi.org/10.1177/0261018313489942>
- Crenshaw IK (ed) (1996) *Critical race theory: the key writings that formed the movement*. The New Press
- Darwin C (1871) *The descent of man and selection in relation to sex*. John Murray, London
- Daston L (2004) *Things that talk: object lessons from art and science* (New York)
- Davis AJ (1981) *Women, race and class*. (Random House)
- Davis AJ (2016) *Freedom is a constant struggle*. Haymarket Books, Chicago, IL
- Debord (1990) *Comments on the society of the spectacle*. Verso, London
- Delgado R, Stefancic J (2017) *Critical race theory: an introduction*. New York University Press, New York
- Delong B, Boushey H, Steinbaum M (2017) Introduction: capital in the twenty-first century, three years later. In: Boushey H, Delong JB, Steinbaum M (eds) *After Piketty: the agenda for economics and inequality*. Harvard University Press, Cambridge, MA
- Dhaliwal R et al (2022) Eradicating racism: an endocrine society policy perspective. *J Clin Endocrinol Metab* 107:1–11. <https://doi.org/10.1210/clinem/dgab896>
- Doniger W (2010) *The Hindus – An alternative history*. Oxford University Press, Oxford
- Douglass F (1854) *The claims of the Negro ethnologically considered: an address before the literary societies of Western Reserve College, at Commencement, July 12*. Lee, Mann & Co, Rochester, NY, pp 8–9
- Du Bois WEB 1935 (2019) *Black reconstruction: an essay toward a history of the part which black folk played in the attempt. To reconstruct democracy in America 1860–1880*. Free Press, New York
- Dumas MJ, Dixson AD, Mayorga E (2016) Educational policy and the cultural politics of race: introduction to the special issue. *Educ Policy* 30(1):3–12
- Dunbar-Ortiz R (2021) *Not a nation of immigrants: settler colonialism, white supremacy, and a history of erasure and exclusion*. Beacon, Boston
- Eagleton T (1991) *Ideology: an introduction*. Verso, London
- Elkins C (2023) *Legacy of violence: a history of the British Empire*. Vintage, New York
- Elkins DJ, Simeon REB (1979) A cause in search of its effect or what does political culture explain. *Comp Polit* 11:127–145
- Eliav-Feldon M (2009) *The origins of racism in the West*. CUP, Cambridge
- Engels F (1844) *Condition of the Working Class in England*, MECW-12, Marx and Engels Collected Works, Vol-12. Lawrence and Wishart, London
- Engels F (1883) MECW-38, Marx and Engels Collected Works, Vol-38. Lawrence and Wishart, London
- Epstein RM (1999) Mindful practice. *JAMA J Am Med Assoc* 282(9):833–839
- Ethnicity Facts (2023) (accessed 22/11/23, available at: <https://www.ethnicity-facts-figures.service.gov.uk/work-pay-and-benefits>; <https://www.ethnicity-facts-figures.service.gov.uk/education>

- skills-and-training/11-to-16-years-old/gcse-results-attainment-8-for-children-aged-14-to-16-key-stage-4/latest#main-facts-and-figures)
- Eubanks V (2017) *Automating inequality: how high-tech tools profile, police and punish the poor*. St Martin's Press
- Eyerman R (1981) False consciousness and ideology in Marxism. *Acta Soc* 24(1/2):43–56
- Eze EC (ed) (1997) *Race and the enlightenment: a reader*. Blackwell, Cambridge, MA
- Fanon F (1964) *For an African revolution*. Grove Press, London
- Fields BJ (1990) Slavery, race and ideology in the United States of America. *New Left Rev* I(181):95–118
- Foster JB, Clark B, York R (2008) *Critique of intelligent design*. Mkonthly Review Press, New York
- Foucault M (1972) *The archeology of knowledge*. Basic Books, New York
- Foucault M (1975) *Discipline and punishment*. Gallimard, Paris
- Foucault M (2006) *History of madness*. Routledge, London
- Fraser N (1995) From redistribution to recognition? Dilemmas of justice in a 'Post-Socialist' age. *New Left Review*, 212, July–August.
- Frederickson GM (1982) The black image in the white mind: a historical overview. *New Directions* 9(4):6
- Friede J, Keen J (eds) (1971) *Bartolomé De Las Casas in History – An understanding of the Man and his work*. Northern Illinois University Press
- Fromm E (2009) *Beyond the chains of illusion: my encounter with Freud and Marx*. Continuum, London
- Galton F (1889) *Natural inheritance*. Macmillan, London
- Gee GC, Ford CL (2011) Structural racism and health inequalities: old issues, new directions. *Du Bois Rev Soc Sci Res Race* 8(1):115–132
- Geuss R (1981) *The idea of a critical theory*. Cambridge University Press, Cambridge
- Glaser J, Spencer K, Charbonneau A (2014) Racial bias and public policy. *Policy Insights Behav Brain Sci* 1:1
- Golden SH, Brown A, Cauley JA et al (2012) Health disparities in endocrine disorders: biological, clinical, and nonclinical factors—an Endocrine Society scientific statement. *J Clin Endocrinol Metab* 97(9):E1579–E1639
- Goodhart D (2017) *The road to somewhere: the populist revolt and the future of politics*. Hurst and Co, London
- Gramsci A (1957) *The modern prince and other writings*. International Publishers, New York
- Gramsci A 1971 (1939–35) *Prison notebooks*, Hoare Q, Nowell G (eds) International Publishers, New York.
- Gress D (1998) *From Plato to Nato*
- Gross AJ (2008) *What blood won't tell: a history of race on trial in America*. Harvard University Press
- Guérin D (1973) *Fascism and big business*. Pathfinder, New York
- Guha R (2000) *Unquiet woods*. California University Press, CA
- Guyer JI (ed) (1995) *Money matters: instability, values and social payments in the modern history of West African communities*. Heinemann, London
- Habermas J (1986) *The theory of communicative action (Vol-1: reason and the rationalisation of society)*. Polity Press, Cambridge
- Hakim C (2011) *Honey money: the power of erotic capital*. Penguin
- Hanke L (1974) *All mankind is one: a study of the disputation between Bartolome De Las Casas and Juan Gines De Sepulveda in 1550 on the religious and intellectual capacity of the american indians*
- Harding J (2000) *The uninvited: refugees at the rich man's gate – Migrant journey to the rich world*. Profile Books, London
- Harrington J (1992) *The commonwealth of Oceana and A system of politics*. Cambridge University Press, Cambridge

- Hochschild A (1998) *King Leopold's ghost: a story of greed, terror and heroism in Colonial Africa*. Picador, New York
- Hofstede G (1991) *Cultures and organisations - Software of the mind*. McGraw-Hill, London
- Holleman H (2014) The theory of unequal ecological exchange: a Marx-Odum dialectic. *J Peasant Stud* 41:199–233. <https://doi.org/10.1080/03066150.2014.889687>
- Horkheimer M (2002) The latest attack on metaphysics. In: *Critical theory: selected essays*. Continuum Publishing, New York, pp 132–187
- Howe DW (2007) *What Hath God Wrought – the Transformation of America, 1815–1848*. OUP, Oxford
- Huddleston A (2019) *Consecration to culture: Nietzsche on slavery and human dignity*, Chapter 6. Oxford University Press, Oxford
- Huxley TH (1863) *Evidence as to man's place in nature*. Norgate
- Ignatiev N (1995) *How the Irish became White*. Routledge, New York
- Ilyenkov EV (2008) *Dialectical logic – Essays on its history and theory*. Aakar Books, Delhi
- Ilyenkov EV (2020) *Intelligent materialism – Essays on hegel and dialectics*. Haymarket, Chicago, IL
- Isenberg I (2016) *White trash: the 400-year untold history of class in America*. Viking, New York
- Isaac B, Ziegler J (2003) *The origins of racism in the west*. Cambridge University Press, Cambridge
- James CLR (1989) *The Black Jacobin: Toussaint L'Ouverture and the San Domingo revolution*. Vintage, New York
- Jeffries S (2016) *Grand Hotel Abyss: the lives of the Frankfurt School*. Verso, London
- Jones GS (1971) The Marxism of the early Lukacs: an evaluation. *New Left Rev* 1(70):27–64
- Jones A (2000) Word and deed: why a post-poststructural history is needed, and how it might look. *Hist J* 43(2):517–541
- Jones R (2016) *Violent borders: refugees and the right to move*. Verso.
- Jones T, Nichols AH (2020) *Hard truths: why only race-conscious policies can fix racism in higher education*. The Education Trust, January 2020
- Kendi IX (2021) *How to be an Anti-Racist*. MR Books, New York
- Kerbaj R (2022) *The secret his of the five eyes: the untold story of the international spy network*. Blink, London
- Kipling R (1899). https://en.wikipedia.org/wiki/The_White_Man%27s_Burden
- Ladson-Billings G (1995) Toward a theory of culturally relevant pedagogy. *Am Educ Res J* 32:3
- Ladson-Billings G (1998) Just what is critical race theory and what's it doing in a nice field like education? *Int J Qual Stud Educ* 11:1
- Latimer A (2014) Super-exploitation, the race to the bottom and the missing international. In: Bâ SM, Ness I (eds) *The Palgrave encyclopedia of imperialism and anti- imperialism (encyclopædia entry)*. Palgrave Macmillan, New York
- Lee E (2019) *America for Americans – A history of xenophobia in the United States*. Basic Books, New York
- Lewis RD (2007) *The cultural imperative – Asianisation versus US corporate dominance*. Intercultural Press, London
- Levins R, Lewontin R (2009) *The dialectical biologist*. Aakar Books, Delhi
- Lichtheim G (1964) *Marxism: an historical and critical study*. Columbia University Press
- Ligocki DT, Martin RA, Scott CL (2021) A call to action: introducing the initiative for eradicating racism. *J Bus Divers* 21:2
- Lincoln JR, Kalleberg AL (1982) *Culture, control and commitment*. Cambridge University Press, Cambridge
- Locke J 1689 (1988) *Two treatises of Government*. CUP, Cambridge
- Lukács G (1923/1972) *History and class consciousness: studies in Marxist dialectics*. MIT Press.
- Lukes S (2005) In defence of false consciousness. *Univ Chicago Legal Forum* 2011:Article 3. Available at: <http://chicagounbound.uchicago.edu/uclf/vol2011/iss1/3>
- Madva A (2016) A plea for anti-anti-individualism: how oversimplified psychology misleads social policy. *Ergo* 3(27):701–728

- Makin-Waite M (2021) *On burnley road – Class, race and politics in a Northern English Town*. Lawrence and Wishart, London
- Manrai L, Manrai A (eds) (1996) *Global perspectives in cross-cultural and cross-national consumer research*. Haworth Press, London
- Marini RM (1973/2022) *Dialectics of dependency*. Monthly Review Press, New York.
- Marozzi J (2005) *Tamerlane – sword of islam, conqueror of the world*. Harper, London
- Marx K (1844) *On the Jewish Question*, (accessed 201031) available at <https://www.marxists.org/archive/marx/works/1844/jewish-question/index.htm>
- McLellan D (1995) *Ideology*. University of Minnesota Press
- Menand L (2002) Morton, agassiz and the origins of scientific racism in the United States. *J Blacks Higher Educ* 34:110–113
- Meng YY, Diamant A, Jones J et al (2016) Racial and ethnic disparities in diabetes care and impact of vendor-based disease management programs. *Diabetes Care* 39(5):743–749
- Mészáros I (1986) *Philosophy, ideology, and social science: essays in negation and affirmation*. Monthly Review Press, New York
- Middlekauff R (2005) *The glorious cause – The American revolution 1763–1789*. Oxford University Press, Oxford
- Milanovic B (1998) Global inequality of opportunity: how much of our income is determined by where we live?. *The Review of Economics and Statistics*. https://gc.cuny.edu/CUNY_GC/media/LISCenter/brankoData/Global-inequality-of-opportunity.pdf
- Miller LS (1995) The origins of the presumption of black stupidity. *J Blacks High Educ* 9:78–82
- Mishra P (2017) *Age of Anger: a history of the present*. Allen Lane, London
- Mitchell W, Fazi T (2017) *Reclaiming the state: a progressive vision of sovereignty for a post-neoliberal world*. Pluto Press, London
- Mitchell-Yellin B (2018) A view of racism - 2016 and America's original sin. *J Ethics Soc Philos* 13:1. <https://doi.org/10.26556/jesp.v13i1.253>
- Morgan ES (1975) *American slavery*. American Freedom, Norton, NY
- Moyrihan AS (1965) *The Negro family*, Office of Policy Planning and Research, USA Department of Labour
- Myrdal G (1944) *An American Dilemma*, 1560008563
- Nellis A (2021) *The colour of Justice: racial and ethnic disparity in state prisons*. The Sentencing Project, Oct 2021
- Newton HP (1974/2018) *Intercommunalism* (1974), *Viewpoint Magazine*, 11 June, accessed 231123 and available at: <https://viewpointmag.com/2018/06/11/intercommunalism-1974/>
- Odum HT, Sciencceman DM (2005) An energy systems view of Karl Marx's concepts of production and labor value. In: *Emergy Synthesis 3: Theory and Applications of the Emergy Methodology*. (Proceedings from the Third Biennial Emergy Conference, Gainesville, Florida, January 2004). Center for Environmental Research, Gainesville, Florida
- O'Neill C (2017) Is AO a threat or benefit to health workers? PMID. doi: <https://doi.org/10.1503/cmaj.1095428>
- Ossorio P (2016) *Race: the Power of an Illusion, Episode 1: "The Difference Between Us"* (California Newsreel, 2003), transcript accessed May 2, 2016
- Park KH (2013) *Africa, Asia, and the history of philosophy: racism in the formation of the philosophical canon, 1780–1830*. New York State University, Albany
- Patterson O (1982) *Slavery and social death*. Harvard University Press, MA
- Paul M, Darity W, Hamilton D (2018) *The federal job guarantee*. Centre on Budget and Policy Priorities, Washington
- Peck J, Theodore N (2012) Politicizing contingent work: countering neoliberal labor market regulation ... from the bottom up? *South Atlant Q* 111(4):741–761
- Perkins S (1993) *Marxism and the proletariat: a Lukacsian perspective*. Pluto Press, London
- Piketty T (2013) *Capital in the twenty-first century*. Harvard University Press, Cambridge, MA
- Pine CL (1993) *Ideology and false consciousness – Marx and his historical progenitors*. State University of New York Press, Albany

- Pocock JGA (1975) *The Machiavellian moment: florentine political thought and the Atlantic republican tradition*. Princeton University Pr, Princeton
- Popkin R (1977) Hume's Racism. *Philosophical Forum* 9(2/3):211–226
- Post C (2011) *The American road to capitalism – Studies in class structure, economic development and political conflict 1620–1877*. Haymarket Books, Chicago, IL
- Potter A (2010) *The authenticity hoax*. Harper-Collins, New York
- Rainwater L, Yancey WL (1967) *The Moynihan report and the politics of controversy: a trans-action social science and public policy report*. USA Department of Labour
- Ranadive BT (1979) Caste, class and property relations. *Econ Polit Wkly* 1:337–348
- Richardot R (2023) 9 in 10 black people in mainland France say they are victims of racist discrimination. *Le Monde*, 15 February. Available at: https://www.lemonde.fr/en/france/article/2023/02/15/91-of-black-people-in-metropolitan-france-say-they-are-victims-of-racist-discrimination_6015940_7.html
- Ricoeur P (1965) Interpretation as exercise of suspicion. In: *Freud and philosophy: an essay on interpretation*. Yale University Press, MA
- Robinson CJ (1983/2021) *Black Marxism – the making of the black radical tradition*, Penguin, London.
- Rodney W (1972) *How Europe underdeveloped Africa*. Verso, London
- Rowland ID (2008) *Giordano Bruno: philosopher/heretic*. University of Chicago Press, Chicago, IL
- Roy A (1979) Caste and class: an interlinked view. *Economic and Political Weekly*. Feb 1, pp 297–312
- Roy T (2022) *The economic history of India 1857–2010*. Oxford University Press, Oxford
- Ruhs M, Vargas-Silva C (2018) The labour market effects of immigration. *The Migration Observatory*, 14 December 2018. <https://migrationobservatory.ox.ac.uk/resources/briefings/the-labour-market-effects-ofimmigration>
- Said EW (2003) *Orientalism*. Penguin, London
- Sandel MJ (2020) *The Tyranny of Merit – What's become of the common good?* Allen Lane, London
- Schein E (2010) *Organizational culture and leadership*. Jossey-Bass, San Francisco, CA
- Schlesinger T (2011) The failure of race neutral policies: how mandatory terms and sentencing enhancements contribute to mass racialized incarceration. *Crime Delinq* 57(1):56–81
- Schoumaker B, Le Guen M, Caron L, Nie W (2015) Multiple (il) legal pathways. *Demogr Res* 47:247–290
- Schubert M (2011) The 'German nation' and the 'black other': social Darwinism and the cultural mission in German colonial discourse. *Patterns Prejud* 45(5):399–416. <https://doi.org/10.1080/00031322X.2011.624754>
- Seliger M (1979) *The Marxist conception of ideology: a critical essay*. Cambridge University Press
- Shachar A (2009) *The Birthright citizenship and global inequality*. Harvard University Press, MA
- Shah H (2018) Algorithmic accountability. *Philos Trans R Soc A Math Phys Eng Sci* 376:1–6
- Shelby T (2002) Is racism in the 'heart'? *J Soc Philos* 33(3):411–420
- Sinha M (2016) *The slave's cause – A history of abolition*. Yale University Press, New Haven
- Skinner Q (1978) *The foundations of modern political thought*. Cambridge University Press, Cambridge
- Skinner Q (1998) *Liberty before liberalism*. Cambridge University Press, Cambridge
- Smith J (2016) *Imperialism in the twenty-first century – globalisation, super-exploitation and capitalism's final crisis*. Monthly Review Press, New York
- Soske J, Jacobs S (2015) *Apartheid Israel – the politics of an analogy*. Haymarket Books, Chicago, IL
- Spencer H (1875) *The study of sociology*. Appleton, New York
- Stephan WG, Rosenfield D (1982) Racial and ethnic stereotypes. In: *The eye of the beholder. Contemporary issues in stereotyping*, pp 92–136
- Strawson P (1966) *The bounds of sense: an essay on Kant's critique of pure reason*. Methuen, London
- Sunstein CR (2009) *Going to extremes: How like minds unite and divide*. Oxford University Press, Oxford

- Tansman A (2009) *The culture of Japanese Fascism (Asia-Pacific)*. Culture, Politics, and Society, Asia-Pacific
- Tchen JKW, Yeats D (2013) *Yellow Peril – An archive of anti-Asian fear*. Verso, London
- Torgovnick M (1990) *Gone primitive*. University of Chicago Press, Chicago
- Turner A (2018) The business case for racial equity—A strategy for growth. Altarum, W. K. Kellogg Foundation, pp 1–42
- Urry J (2016) *What is the future?* Wiley, London
- US Police (2023). <https://www.statista.com/statistics/585152/people-shot-to-death-by-us-police-by-race/>
- Uslaner EM (2012) *Segregation and mistrust – diversity, isolation and social cohesion*. Cambridge University Press, Cambridge
- Van Reybrouck D (2024) *Revolusi – Indonesia and the birth of the modern world*. Bodley Head, London
- Vance JD (2017) *Hillbilly Elegy – A memoir of a family and culture in crisis*. William Collins, New York
- Vaughn AT (1989) The origins debate: Slavery and racism in seventeenth-century virginia. *Va Mag Hist Biogr* 97(3):311–354
- Vyas DA, Eisenstein LG, Jones DS (2020) Hidden in plain sight—reconsidering the use of race correction in clinical algorithms. *N Engl J Med* 383(9):874–882
- Washington J (2023) *The case for open borders*. Haymarket Books, Chicago, IL
- Weick KE (1979) *The social psychology of organising*. Random House, New York
- Whitman JQ (2017) *Hitler's American model: The United States and the making of Nazi race law*. Princeton University Press
- Wilhelm SM (1980) Can Marxism explain America's racism? *Soc Probl* 28:98–112
- Wilkerson I (2020) *Caste*. Penguin
- Wilkerson RG, Moellman JJ (2023) Hereditary angioedema. *Immunol Allergy Clin* 43(3):533–552
- Williams E (1943) *Capitalism and slavery*. The University of North Carolina Press, Chapel Hill
- Wilson V, Kassa M (2020) Black women workers are essential during the crisis and for the recovery but still are greatly underpaid. *Working Economics Blog*. Economic Policy Institute, August 12, 2020
- Wood GS (2009) *Empire of liberty: A history of the early republic, 1789–1815*. Oxford University Press, Oxford
- Zack N (2017) *Ideas of race in the history of modern philosophy*. Palgrave Macmillan
- Žižek S (2017) *In defence of lost causes*. Verso, London
- Zumoff JA (2014) The Negro Question to the Fourth Comintern Congress. In: *The Communist International and US Communism, 1919–1929*, Historical Materialism Book Series. Brill, Leiden, pp 287–311

Chapter 16

Gender, Marx and Public Services



Abstract Noting continued exploitation of women at work (unequal pay and opportunities), the chapter takes women's double shift as a theme, for example care work often both unpaid (private service) and paid, with the wages-for-housework campaign failing in Europe though some progress made on childcare, less so on domestic violence. The chapter rejects bio-determinism pointing to the continued importance of socialisation for women's roles and arguments around gender or class as the primary agency for social change.

Social reproduction and patriarchy are discussed, and the danger of functionalist arguments highlighted, with the failure to progress the position of women in the USSR as opposed to progress in China and Cuba. Families are units of consumption, the target of advertising, however societies regard household production of use-values as non-productive and unworthy of reward; many women now avoid or delay marriage and child-bearing and same-gender relationships are widely accepted, identity politics and recognition are critically discussed and interplay between race and gender, along with women's ways of knowing and epistemic stance, which for some feminists is anti-socialist.

Public services play an important role as means and ends in the struggle for socialism, Bolshevik women demanding collectivised laundry, cleaning and food services and Zetkin *liberation by work* in addition to education access and equal job and political opportunities; also, the chapter points to debates around love as a learning process, motherhood, sexuality and love.

The Chinese saying that women hold up half of the sky emphasises their contribution to society. Yet globally women face exploitation, oppression, unequal pay, unequal education and healthcare access and oppression within families. Public services are especially important for women given their socialisation and care roles.

This chapter builds on earlier debate including Chap. 6 discussion on households creating and distributing use-values (UVs) part of a battlefield between the

neoliberal NPM seeking to transfer function from the welfare state into families; in which women have a leading agency. Section 8.3 noted how households and women's role within them vary across cultures, as women increasingly do a double shift of work, take the primary care of children and sickly elders (Sect. 8.4) and mediate social relations of production and reproduction, suffering patriarchy (Sect. 8.7). We discussed de-familisation as a process occurring in later-socialism and communism. Chapter 13 considered Fraser's (2000, Alcoff 2006) arguments around Hegel's idea of recognition, instead supporting Rockhill's (2023) critique of identity politics. Women have primary agency in social medicine, (Chap. 13) as carers, making collective services important early gains in socialist transition, as Kollontai favoured. Chapter 14 noted the freedom, wage earning in cities can provide for young women and its effects on delaying marriage and child-bearing.

This chapter is structured around the activities of women, taking an out-to-in perspective beginning with women's ways of knowing (epistemology—what constitutes knowledge) and then exploring women in the economy and exploitation, social discrimination, women in the family, in the workplace and the personal as political, and issues of sexuality and identity, referencing public services. Finally, we examine Marx and Marxists views and their unique contribution.

16.1 Women's Ways of Knowing: An Epistemological Gap?

16.1.1 *Women's Ways of Knowing: Standpoint Feminism*

Some feminists like Marx and Engels are active materialists, examples being Hartsock (1987), Rose and Haraway in Harding (2000) and Belenky (1986); they ground human activity in a material environment gifted by nature rejecting deduction and idealisms as explaining social activity and events. *Women* here is not an undifferentiated group. Materialism is a tendency amongst women resulting from the pragmatic duties of childrearing, housework and managing a household. For example, Gilligan destroyed Kohlberg's (1981) theory of women's ethical decision-making, by pointing to practical reasoning about practical things and not by referencing idealisms and abstract principles. Vygotsky's (1934) social learning theory too follows this approach to learning as does Ilyenkov's (2020) critique of idealism. This explains women's tendency to vote for social democratic parties legislating welfare services. Situated learning in particular contexts importantly shapes first-person to third-person knowledge (e.g. decisions) highlighting personalised knowledge, emotional reactions, a lumping or splitting of cognitive styles, part of which allows for ambiguity, concepts open to change and linking what she believes the (male) learner/recipient knows. As Haslanger (2000) points out, this raises the danger of mis-conveying intended identity or meanings. Thus, women, more than men, pay attention to gendered roles, relationships and responsibilities and changes in them (West and Zimmerman 1987; Butler 1990), calling attention to how bodies are

gendered and sexed, normed in socialisation requiring deep introspection to alter. First-person knowledge may be privileged; we discuss below lactation and orgasm. Expressions of shame/guilt (Potter-Efron 2002) may alter. Or, while opaque to males, the woman might *just know*, Young (1980) says. This draws feminist epistemics towards self-knowledge (Crosby and Clayton 1990; MacKinnon 1989), articulating the gynocentric feminine worldview and values and roles Gilligan discovered; for example, making women successful in care services (Nadasen 2002). Schiebinger (2007) and Pitts-Taylor (2013) speculate whether the androcentric perspective interpenetrates with women more readily than male colonialists making the latter more prone to racism. Rooney (1991) wonders if in care services, objectivity and rationality are androcentric. He points to gendering of prescribed social spaces, with women occupying the spaces vacated by men and differential access to the gendered skill-sets that Ruetsche (2004) identified, e.g. colonising some subjects.

Standpoint Theories

Everybody speaks from somewhere, there is no God's eye view from outside material reality. Lukács (1972) says Marx is a standpoint theorist from a working-class viewpoint, forgetting that *Capital* is written from the perspective of capitalism. Harding (2000) promoted the idea of feminism as standpoint or stance: relevant knowledge shaped/enabled by social position, knowledge denied to oppressors. But while Marx identifies objective laws, such as TRPF, feminists equate stance with subjective post-modern relativism, i.e. any viewpoint or knowledge has the same validity as others—an unscientific approach suiting identity politics. Foucault (1972) says all viewpoints are situated, rejecting general theories, what Lyotard (1994) calls *totalising meta-narratives*. Feminist post-modernists reject Marx's idea of a human essence from which capitalism alienates humans including workplace exploitation. Spelman (1988) argues the idea of woman is itself essentialist and Lugones and Spelman (1983) say everyone has some stance; a shared stance if as MacKinnon (2000) says, women everywhere face sexism and Haslanger (2000) that objective structures embodying intersectionality.

Marxists-feminists (Hartsock 1987; Rose 1987) link social reproduction to the economic sub-structure, unmasking objectification of women as sex objects (MacKinnon 1989). Collins calls interpenetration of objective and subjective facts a *matrix of oppression*, which Harding (1991) contends makes oppression and oppressor visible.

Feminist empiricism also rejects Marxist materialism (Quine 1963), Clough (2003) even suggesting a non-gendered outlook is possible. Ilyenkov (2008) counters that positivist accumulation of facts cannot avoid social interpretation.

There is no possibility of neutrality, stance matters. Synthesising socialist feminism and Marxism offers new insights and critiques identity politics and post-modernism, providing structure and concepts for analysing recruitment, promotion and pay in the workplace as demonstrated by Leibbrandt and List (2014), Dobbin

and Kalev (2016) and Wille and Deros (2018) and wider economic relationships (IMF 2018; Bertay et al. 2020).

16.2 Women's Exploitation at Work

16.2.1 *Women and Economy*

One of Marx's great discoveries is the interaction between social relations of production and of reproduction: without unpaid work reproducing labour as a commodity, capitalist production ceases. Social reproduction theory, Bhattacharya (2019) shows, is a treasure-house of ideas relating to gender roles, and consumption, the education and training of the future workforce and the care, health and ability to work of the current workforce.

A danger in the social reproduction approach is functionalism: ignoring the ability of consciousness and motivation to alter arrangements creating circular arguments. For example, the collectivised social reproduction promulgated by Luxemburg, and in the Bolsheviks by Zetkin, and Kollontai; and in the Chinese CP by Liu (2011), Zhang (2023), Ma (2006) and Cheng et al. (2019a, b). 1917 and 1949 led to *liberation by work* (Zetkin) for women, enabled by collectivised public services (childcare, laundry, cooking and cleaning). *Land, bread, peace* and *Serve the People* imply public services and *All power to the Soviets* a governance system for their delivery. Women's access to education since Marx's day allows access to professional and higher-value employment, often in developed economies above the poverty wages Eleanor Marx helped fight against in cable production (Tully 2014).

16.2.2 *Unequal Labour Markets*

Globally around half of all women are in paid employment outside of the home, many in for-profit organisations, in East-Asia and developed countries the figure is around 70% of women working, down to 60% South-America and Caribbean and in SSA, 30% South-Asia and 20% MENA. Across all regions, male employment is 80%. Female employment increases with industrialisation and as public services evolve. In Finland, men and women work in roughly the same proportion with women spending below 15% of their time on household tasks (men 10%).

16.2.3 *Unequal Pay*

Women continue to suffer unequal pay earning between 66% and 82% pay of men, 30% below for similarly skilled/value-adding work, ethnic minority women earn even less, a gender pay gap hardly closing: highest in rural areas, least in high-paid professions and closing fastest in most developed countries. With 33% of top managers women, East Asia is double the world and EU average. Overall women are only 20% of top incomes, Australia is 25%.

The *motherhood penalty* reduces women's pay, while high Trade Union membership increases it. Defining low-pay as below two-third median income, women do 60% of low paid work in Switzerland, Germany and Portugal (Our World 2023): women often do the work rejected by men. For example, in the USA, women do 95% of childcare jobs, 90% homecare and maids, 84% personal care aides and 72% cashiers (Sam 2009).

16.2.4 *Note on Productive Labour*

Marx's productive and unproductive labour distinctions is crucial in calculating the rate of profit. These are strictly economic not moral categories. Productive labour is profit-generating, exploited workers employed by a capitalist. Non-productive labour is not employed by a capitalist (e.g. in public services or the third-sector (3S)) or is employed unnecessarily, e.g. as a capitalist manager or lower than average productivity. Productive labour adds value to the natural artefacts it works on producing (goods or services) commodities (exchange values, EVs). Once sold, the capitalist appropriates surplus value (SV). The nurse, employed in public services, *from the viewpoint of capitalism* is non-productive; the nurse in a private for-profit hospital is productive (of profit for a capitalist). Working more slowly does not create more value for the capitalist, it raises his costs. Feminist authors such as Fraser (2005) and Nadasen (2002) spread confusion on these points asserting Marx is making a moral distinction, he is not.

In the UK, Kinder and Stenvall (2021) argue, (at attributed market prices) UVs are now larger than EVs, reducing the area of capitalist profit-making activity, a trend neoliberal NPM seeks to reverse. Public services UVs provide an insight into what a socialist economy would look like: planned production for need not profit.

16.2.5 *Unequal Household Labour*

Chapter 7 notes the continued uneven gender distribution of household tasks, especially relating to child and elder care. Employed women, Sixtstone (2023) suggests daily do 2.3 h, excluding childcare (men 1.6 h), more in low-income households.

UK figures (Starling 2023) show women do 35-h unpaid housework per week (a full second shift), with men contributing 17-h; a division of labour being women child-care and cleaning, tidying, laundry, bathroom, polishing and oven cleaning, with men garden and car. Only a third of UK families are now woman/man nuclear—the majority ‘chosen’ families. In India, women do 81% of housework and 87% of caregiving (18% and 13% men).

Feudal families were units of production and consumption, capitalist families are only units of consumption is now changing as more families produce and consume.

Household technology does not reduce hours worked. Technologies such as the birth control pills, abortion and IVF are profoundly important (Goldin and Katz 2002). Ultra-scans give gender identification creating the unintended consequence of gender imbalances (Nicholson 2011; Fincher 2014).

Overall, household labour remains gendered, despite women work full time and despite domestic technologies.

16.2.6 *Social Reproduction*

Social reproduction extends far beyond the family to include infrastructure (Chapter 14), the socialisation of children and development of human capital in education, training and higher-education: often public services. Just as production social relations feature class conflict, so too relations of reproduction, especially the welfare state battlefield over public services such as childcare and elder care and how they distribute between state, family and market. Engels (*Origins*) notes the state mediates functions via families: without reproduction, no production. Workers return to production rested, fed and clothed, etc., and when retired are replaced because of birthing and childcare processes and educating/training the ‘new’ worker’s prepared for work—each to a degree public services.

16.2.7 *Social Reproduction as Anarcho-Reformism*

Another perspective on social reproduction, represented by Fraser (2005) and Nadasen (2002), is USA-centric: racism being a dominant social force. It is anarchic in rejecting connections with the organised labour movement and the state, ending up reformist in the solutions to women’s oppression and exploitation it proposes. Some claim to write in a Marxist tradition.

Nadasen’s (2002) work on care is an example. After making a moral critique that care workers leave their own children to care for other people’s children, neglecting to point out that *all* workers leave their own children, which is why nursery provision for all is required. Nadasen calls for the state to pay those who choose to stay at home and look after their own children. Instead of public services for all she says (2023:206) *But we can, we—should we—argue for the abolition of public*

assistance, child welfare services, the health and hospital industry and the school system. Like Caffentzis and Federici (2014) and Federici (2018), she prefers the abstraction of the *commons* to concrete public services. She anarchistically distrusts the state, except the state (or somebody) should pay care workers to stay at home, while women workers in other sectors must continue working outside the home.

Fraser (2023) has the same anarcho-reformist approach, claiming to be Marxist while *rejecting* (a) working-class agency, (b) the labour theory of value, (c) the industrial reserve army, (d) the UV/EV distinction in commodity production, (e) the tendency for the rate of profit to fall (f) state power using a dictatorship of the proletariat. Writing from the exceptionalist USA perspective, she argues that capitalism is necessarily racist (agreed) and that the oppressed women and black people rather than a united working-class have revolutionary agency (disagreed). Her political analysis joins prominent venture capitalists calling for universal basic income; she also calls for paid *reproductive work*: reformist demands leaving capitalism intact. For Fraser, anti-racist and women's liberation struggles are autonomous parts of a super-structure, unconnected to struggles by a united working-class.

This is the voice of the outraged middle-class, saying nothing about concrete issues such as equal pay, equal opportunities, collectivised childcare and investment in education, focusing instead on identity and sexuality.

16.2.8 *Social Reproduction: Class or Gender or Both*

Marx's discovery of interrelating social relations of production and reproduction was inherited by Bebel who's (1879) *Women in the Past, Present and Future* became popular in Germany recruiting hundreds of thousands of women into the SDP with the promise of socialised childcare; policies echoed by towering women figures, including Rosa Luxemburg, Clara Zetkin and Alexandria Kollontai, who would become the first women Minister in the first worker's state Government in 1917 in Russia. Zetkin, a leader of the SDP dismissed non-socialist feminism as *built on sand*. Emphasising the *domestic slavery* in women's double shift, waged work outside the home appealed to peasant and working-class women, giving the independence of their own wage packet. Hearing these arguments: *Viva Clara!* Lenin commented. Participating in *common productive labour* Zetkin said, gives women voice: *The walls of the kitchen are very oppressive*. She urged socialist Parties to recruit women, not in separate organisation but using propaganda on issues of concerning women. Luxemburg at the 1918 All-Russia Congress of Working Women said, *the emancipation of working women is a matter for working women themselves*, with the Party offering guidance and providing resources. Amidst the jingoism and slaughter of the 1914–1918 War, Luxemburg and Zetkin bravely organised an *International Women's Conference Against the War* in Berne during March 1915.

Class consciousness demands a grasp of society in its entirety, a grasp of the *collective* interests of the working class in opposition to the capitalist class. The kitchen may be the scene of oppression, but it is not the scene of class resistance.

Alexandra Kollontai spent a lifetime building socialism and was Soviet Ambassador to Sweden (Rentola 2023). She had the special ability to write theory (1915), agitational material (1919) and inspirational novels (1927) working internationally for the new Soviet state she identified with the Worker's Opposition and later Left Opposition insisting on the centrality of public services supporting women.

16.2.9 *Social Reproduction and Modern Women's Movement*

Vogel (1983) surveying the women's movement points out how for Mitchell (1966) women going to work was new, as indeed it was for many middle-class women who had previously enjoyed sufficient income from a male breadwinner. For most working-class and peasant women, work outside and inside the home had been necessary since the onset of capitalism. Benston's (1969) article on the political economy of household labour kicked off the debate (largely amongst USA women) calling for wages-for-housework (WfH). She argued that since work on reproduction is necessary for capitalism, it is productive labour and should be paid (by the state) with collective services provided for childcare, etc. Part of her case was that *men carry no responsibility* for household labour, overstating a good case. Costa and James (1971: 22), like Chap. 2, argue that domestic labour creates UVs. While some feminist authors acknowledge the contribution of men to household work (Spar's 2020 *Good Fellows*), perhaps a third of non-child labour, many feminists write as though their campaigning has had nil effect.

The WfH campaign has failed; campaigning (in Europe) for state childcare and public services has had more success. Vogel would agree with this point; she deplores that shift from economic issues facing women requiring collective solutions into sexuality and identity politics. She cites Millett (1970) *Sexual Politics* who controversially uses patriarchy to equate the Nazis and USSR.

16.3 Society and Oppression

16.3.1 *History*

Since childcare and elder care responsibility mostly taken by women this explains women voting left-of-centre (for example, PNAS 2023, USA and Helsinki Times 2023, Finland). Historically, left-of-centre parties supported women's suffrage (e.g. *Citoyennes Républicaines Révolutionnaires* led by the chocolate worker Pauline Leon in revolutionary France and Sylvia Pankhurst, English suffragette). As users of public services, women are most likely to political support their expansion.

If the first wave of feminist was suffrage; a 1960s second wave of women's liberation is typified by Friedan's (1963) *Feminine Mystique*; the third wave

characterised by public campaigns around harassment, abuse, patriarchy and violence towards women. A current or fourth wave, centred around #MeToo (holding powerful men to account) highlights intersectionality and racism. Taking social *movement* as loose organisation, aspiring to collective identity, without a shared strategy to achieve defined goals,—the women’s movement goal of gender equality has yet to be achieved. Nordic countries followed by developed Europe come top in the WEF (2023) gender rankings. Despite the advice of Zetkin, women’s movements have preferred loose organisation not affiliation to a socialist party.

16.3.2 *Rights and Laws Failed as Answer*

Oppression of women has been justified by religious law, including in Europe mass murder of women designated witches (Daston 2003, 2008; Federici 2004). Some feminists, Cgiar’s (2023) Gender Toolbox is an example, also *An Tinol Saoranach* from Ireland, campaign for minimum wages and childcare spending. Over half a century ago, women in many countries gained the right to equal pay and opportunities at a time when women earned roughly 65% of men a figure unchanged. Employers found *equal pay for work of equal value* easy to circumvent; suggesting that only with strong working-class organisation will equal pay be achieved: employers not men are the enemy. Oppression issues are different, especially violence, since men are mainly the perpetrators, educating men around the issues is as important as raising women’s consciousness.

16.4 Inequality: Improving Education the Answer?

Schultz (2002) argues that greater investment in education around equality, for all ages, will lessen oppression, and argument shared by the EU’s Gender Equality Index, who also favour Zetkin’s (1984/2015) *liberation through work* argument pointing out that a billion new workers would contribute if female participation equalled men’s. Here we note that given choice young women are prone to exercise it and marry late (or not at all) with fewer if any children. Zhou (2023) points to this as a major cause of population decline in China, South Korea and Japan. Zhou suggests China now has 30-million more men than women, shifting the power balance in marriage markets.

For Goldin and Katz (2015), expanding education as a public service best addresses inequality. She notes the narrowing gender gap in professional and STEM subjects, but that when entering work young women earn 92% of men’s salary, this widens with age to 71% by the age of 50, due to child-bearing/rearing career breaks. The gap widens further for MBA graduates to 64% by 50-yoa (dispiriting for you author who was MBA Director at the University of Edinburgh Business School). In the *Rise of the Meritocracy*, Young (1958) expressed a dystopian fear centred on

those left behind. However, as Sandel (2020) points out, Young need not have troubled. Social prejudice continues to blame the victims, i.e. those ‘failing’ in the social hierarchy for their own ‘failure’: Hilary Clinton’s *deplorables*. Meritocratic mobility has almost ceased in developed countries, where inherited social capital is more important than degree. Goldin’s strategy of using educational advancement to overcome gender prejudice appears flawed.

In developing states the picture differs, as Elson and Seth (2019) note, education for girls and young women is an important social return to education and personal returns to education. One reason this strategy is adopted in Asia are the progressive policies of the AD Bank, often insisting on higher equality targets than Oxfam (2017) and the Hickel (2016). As the Grimshaw (2017) notes, educating and employing women is a strong tool for sustainability development. Kim et al.’s (2019) modelling in South America shows that gender equality adds 30% to per capita income after one generation and 71% after two generations. UNESCO (2022) calls attention to HE as a public service. While transition from school to university is important, so too is transition from university into work. The GPE (2019) find that 60% of public service employees are women. Women’s support for public services is used here to explain their left-of-centre preference, however, this leaves around 40% of women voting right-of-centre, often for candidates with expressly anti-women policies cutting public services and restricting abortion and worker’s rights.

In the *XX Factor*, Wolf (2013) notes (harking back to Nadasen) poor women (sometimes migrants) doing the housework and childcare of rich women: for feminists both are women, from a class perspective they live in different worlds, worlds that socialist transformation is needed to change.

16.5 Family and Oppression

Chapter 8 discussed households creating and distributing UVs, without reference to market or money, contributing to PV. Also, that family–state–market interactions vary over time, between cultures and with levels of development. While for analytical purposes, we can view the family as mediating between state and market, in concrete terms each arena of activity mediates between it and the others. So, for example, market at times mediates between family and state, state mediates family and market. It is a mistake to take a static view of ‘the’ capitalist family. This is especially so when types of family alter (think of the Chinese move to 4-2-1 families, or ‘chosen’ families).

Functionally, the family’s purpose remains to provide the next generation of labour and for bourgeoisie families to protect inheritable property, woman remaining *domestic slaves*. Families continue to subordinate the role of UV creator to wage earning—part of evolution of patriarchy within the monogamous family a *private service* Engels says (*Origins*). Creation of UVs in the family coupled with public services are increasingly important value-flows in capitalism, heralding in a socialist future of collectivised services freely available to all. Media now shows people

in developing countries the education and healthcare available to their sisters in developed countries, parents suffering the frustration of seeing the advantages other people's children gain, especially so in medical care, if children in poor countries avoidably die and mother's heart break.

16.5.1 *Motherhood*

Distinctions between mother (biological), mothering (care-giving) and motherhood (social role and expectations), while neat are difficult to consistently apply, one reason being that parenting as a focus on child development is often framed (if not operationalised) as a shared activity, shared at times outside direct familial relations with the state (schools) or market (paid childcare). For some families, loss of direct wider family care (resulting from mobility) means loss of free surrogate parenting, from grandparents and aunts, etc.

Biology continues to enable and delimit motherhood choices, for conceiving or unwanted pregnancy. Becoming a mum is a strong expectation of young women in many societies, in Kazakhstan the term *empty nest* is used, Ruddick (1983) noted pressures from would-be grandparents. Women do not enter motherhood and shared parenting expecting oppression from a male partner often viewing motherhood as a dis-alienating essence, a wonderful relationship with a child offering joy and deep pleasure in a life-making relationship. The idea of *having it all* entails the consumer benefits from wages, in addition to a loving husband and healthy kids; it is a marketing pitch unavailable to many women in the absence of good public services such as pre-school nurseries and after-school care. Hrdy (1999) discusses the *myth of the maternal instinct* while also wanting to work outside of the home. Social theory and interventions challenge naturalistic presumptions and reductionist motivation. The *Economist* (2024) shows that given choices, many young women (especially in Asia) are not marrying, delaying marriage and/or not having children, suggesting maternal instinct does not survive having choice. In part, the DINKY choice (*double-income-no-kids*) may arise from Hochschild's (1983) *stalled revolution*—the time male partners are prepared to spend on childcare (research supported by Coltrane 1996), or by the perception that to match social standards (such as 160 m² flat and BMW) requires two uninterrupted careers. Maushart (1999) pointed to the expectation of young women that the child requires 100% attention that necessarily conflicts with wage-working, Garey's (1999) *opposition model*. Motherhood is one of the most satisfying social roles Chodorow (1996) argues, and it seems many women agree, some preferring (others suffering) single parenthood. So is motherhood a false promise, a wonderful dream punctured by patriarchy, another stress in addition to workplace relations?

Changing Position

Allen's (2006) says characterisation of, and expectations from motherhood vary with time and culture with Chodorow (1978) adding that *reproduction of motherhood* arises from daughters internalising their mother's identities: motherhood as a positive accomplishment enhancing self-esteem. Her second conclusion, that sons devalue the mothering role, dragging this as a source of conflict into their own families, is more contentious if *modern-men* fathers view parenting positively. Yet, families remain the scene of oppression facing women.

Engels' point that *free love* (i.e. sexual relations without commitment) grows with social revolution appears confirmed by breakdown of religious prohibitions and secularised marriage. Yet, love-based relationships continue to be sought. Especially in states offering generous welfare benefits (Arendell 2000), single parenthood is a choice, or the result of divorce. In Germany, for example, while most parents marry, one-in-five cohabit unmarried and one-in-four are single parents. Parenting may reshape friendship patterns, to include other parents as Bott (1971) suggests, while as Flap and Volker (2004) note, each parent continues to invest in their own friendship networks.

State regulation of marriage has altered significantly in the post-1945 period making divorce as a public service available to most (outside of theocratic states). Divorce is now a route out of oppressive relationships, provided the woman has wider family support and economic independence—Zetkin's *liberation by work*. Child-brides are reducing (outside Saudi Arabia and MENA). Adoption public services are welcomed by some infertile couples. Less welcome if justified in extreme cases, are state interventions taking control of children being improperly cared-for, e.g. exposed to violence or abuse, non-attendance at school or anti-social behaviour. Family–state interactions of this sort are a major source of conflict. While USA black children are 14% of child population, they are 22% of those taken into state care, leading to accusations of bias. These are complex issues requiring robust social work public services.

Zetkin (1896) support for *liberation by work* for women, like Kollontai (1915), is accompanied by insistence on collective cooking, cleaning and childcare public services (Wood Simmons 1911). For Engels (*Origins*), family ceases to be the *economic unit* of society. From the socialist perspective, social reproduction is a necessity, women will only have real freedom of choice when they can lead a full life having choice around motherhood and coupling.

16.5.2 Violence

Domestic abuse covers physical, sexual abuse, widening to economic and emotional abuse, which according to NCDV (2023) in the UK afflicts one-in-five adults during their lifetime, 1.7-million women each year, and in about half the cases extends to children in the family. Women can be most endangered after leaving an abusive

partner, taking their children to friends or a public service refuge. In some countries, physical abuse of women appears an accepted norm. Only recently in the USA and EU have police intervened in what they term *domestic disputes* previously excusing non-intervention. One metric of a civilised society is that disputes are resolved without recourse to violence. Public services can fail: body-worn cameras worn by police to gather evidence are often switched off when attending *domestic disputes* and in Islamic states, always turned off so as not to capture demeaning pictures of women (Shehhi 2018). No line is acceptable beyond which violence by men against women.

16.5.3 How to Build a Girl

Bio-determinism

Despite what pseudo-science such as Gray's (2004) *Men are From Mars and Women from Venus*, real science (Fine and McClelland 2023) shows no neurological differences between girls and boys, no 'hard-wired' cognitive abilities affecting map-reading, speaking, reasoning; boys and girls developing different skills and values is the result of socialisation not biology. Andersen and Hysock (2009) establish that from birth, parents and adults differently speak to, handle and provide toys for boys and girls. Begley (2009) finds that adults play more roughly with boy than girl babies, providing blue action figures or pink dolls and even in early-days nursery encourage boys in competitive games, while girls cooperate. Dow and Wood (2006) suggest that TV reinforces male action figures. Yoder et al. (2008) find that TV advertisements reinforce gender roles. When interacting with others, Thorne (1993) and Martin and Fabes (2001) found nursery-age children gravitating towards the same gender, or when mixed gender competing boys against girls. Lever (1978) found boys encouraged to play more complex games and arguing over outcomes.

Why Does Socialisation Lead to Gendered Outcomes?



In short, boys and girls are treated differently by adults, differences reinforced by wider society and media. Girls read more and by school age (5–7) are ahead in all subjects a gap especially wide in native language. Yet girls figure prominently in 244-million children not attending school, distorting their futures. At school, by 15, girls are 10% ahead in all subjects. Klein et al. (2007) classroom observations reveal teachers asking more questions of boys, praising them more and (Sadker and Sadker 1994) giving more feedback to boys. Perhaps this attempts to counteract the known attainment gap, if so, they fail. Ghanaian girls had learned by eleven, Ampofo (2001) found is that girls pay more attention to men speaking than women. By eleven, Epstein (1999) identified a *laddish sub-culture* in boys celebrating fun over performance. Teenage magazines and comics, Milillo (2008) suggest simple reinforce existing stereotypes, as do many religious stories Tanenbaum and Tanenbaum (2009) found. Comparing the content of 1970s girl magazines with those of the early-1990s, McRobbie (1994) says, the earlier period encouraging marriage, while later magazines stress independence.

Beginning in the cradle and continuing into nursery and primary school and onwards Bos et al. (2021) confirm that children are exposed to gender stereotyping and then internalise it adopting values such as nurturance versus competitiveness (Eagley et al. 2004). All this emphasises the importance of teachers in social learning processes: unguided, children can learn the wrong thing! Whilst wider social influences reinforce gender stereotypes, those closest to children (parents, family and teachers) help build a gendered, subjugated worldview. As Chap. 12, when female self-esteem rises (for example, attainment) young male esteem falls and may result in mental health problems.

With only a third of women participating in work, the world is deprived on the output from around 1-billion women. One-in-four girls between the ages of 15 and 19 are neither employed nor in education or training, a figure compared to one-in-ten for boys. SDG-5 is gender equality for women and girls, with SDG-4 calling for equal access for those girls not in education.

Public services beyond school are also important: public transport, water for hygiene, acceptable toilets in school, electricity and Internet for homework, with safety and security important for girls and a full belly: hungry children think of food not lessons.

Conclusions from How to Build a Girl

Gendering is socially and not biologically determined and therefore changeable for the better. Family and public services socialising girls have some responsibility for perpetuating stereotyping and roles. Altered social structures and policies in socialist transition should be a platform from which to address misogyny, oppression and violence towards women.

16.6 Personal Oppression and Public Services

The socialist tradition has a lot to say about personal relationships and emotions, going on to connect and link feelings and emotional relationships with collective services. Here we explore sexuality and love from the socialist perspective, beginning with biology.

16.6.1 Biology

Darwin's theory of evolution was a key out of the prison of religious dogma, it is startling how quickly biology can yet again become a prison.

Biology has been used to rationalise women's oppression, for example, ridiculously claiming that smaller brains mean reduced intellect one of a mass of sexist and androcentric biases. Determinism is the reduction of complex causalities to one chosen variable as Lewontin's (1993) *Biology as Ideology* argues. Longino's (1990) studies of sex differences in human evolution identify gender biases in biology research programmes. Levins and Lewontin's (2009) *Dialectic Biologist* illustrates how biology can be used to reinforce gender biasing.

Clark and Roy (1997) argues that whereas the pill and abortion were twentieth century breakthrough technologies for women, cloning and genetic manipulation will become so in the twenty-first century. Haraway (1989) argues, all these scientific advances would be unavailable without female suffrage preventing conservatives burying them.

Post-modernists like Derrida and Roudinesco (2004) challenge the *irreplaceability of the mother* arguing that future families might have two or three biological mothers and fathers not proscribed by gender. A problem with this approach, and Foucault's (2006) bio-power, is belittling the ability of individuals and society to control and direct technologies: a challenge socialism answers. Butler (1990) right points out that uncontrolled advances in biology threaten our species.

Haraway's *Primate Visions* (1989) showed that male/female interaction always reference their environment, the key finding resulting in Vernadsky's (1929) idea of *The Biosphere* in which multi-layered and multilevel interpenetrations between humans and their environment influence activity. Relating these anti-deterministic views to individual psychology, Ratner's (1991) book on Vygotsky's social learning rebukes biological determinism. The most dangerous line of theorising from deterministic biology is eugenics, for which Foster (2000) draws a clear from Darwin to Spencer to Nazi German and white superracist USA. Dickens (2000) notes how Spencer's *survival of fittest* reappears in neoliberal arguments and features in Malthusian over-population theory.

Biology coupled with public service medicine (caesarean and abortion), pharmacology (birth control pill) and nanotechnology (IVF) has added to women's choices. As Gilligan (1982) noted, what was previously fateful is now a choice. Of course,

having to consciously decide (for example, to have children) can be oppressive. Cannold's (2005) *What, no baby*, speaks of *thwarted mothers* delaying choice until too late: a social rather than biological clock. By the time of Louise's 25th birthday (the first "test-tube" baby) one-million (rich-world) mothers had benefited from IVF a process failing to result in conception in 80% of cases. Whereas in the Christian tradition coitus for pleasure is condemnable (hence the Church's anti-homosexual position), the pill and other technologies liberate women into 'riskless' sex.

For feminists, biology-based public services should be friend, as ideology it becomes an enemy.

16.6.2 Sexuality

Sexuality and love are personal concerns not normally discussed in relation to public services, however, it is part of life-as-lived and cannot be ignored. Darwin's (1871) *Descent* concludes that male-male competition for attention and female selection explains variation, sometimes selecting for beauty rather than utility—selection can be maladaptive. Logically, this should lead to greater variation in males, since females cease searching and copulating upon fertilisation, males continue seeking sexual partners. Hrdy's (1986) study of female orgasm disputes this arguing that the male makes other investments such as the cost of competition and that females too compete, concluding also that females enjoy orgasm and continue seeking sexual partners. From a sociobiological perspective, she says these conclusions challenge simple causal relations between genes and behaviour; pleasurable orgasm is an evolutionary trait. Challenging what she says are two false assumptions Lloyd's (2005) and Lloyd and Newlands (1993) study of female orgasm says that pleasure rather than natural selection adequately explains female search and secondly close links between women's sexuality and reproduction. Her argument rejects the view that women are more passive than men in seeking orgasm (Sears et al. 2017). These reinforce female genital mutilation which is abhorrent—taking away a natural function from women.

16.6.3 Love

Love is a learned emotion. Unlike a feeling long-lasting, unlike a trait intentionally willed by of the lovers, unlike wellbeing and security a shared learning based on mutual understandings—the build up from passion to an enduring emotion: love is learned. Vygotsky's (1934) social learning perspective always involves emotional attachments, in this case to persons: partner or children. A learning approach to love contradicts Davidson (1994); Damasio (1999); Goldie (2002) and Beedie et al. (2005) and is closer to Mahn and John-Steiner (1996), Mesquita (2002) and Levykh (2008). Love is learned by shared inquiry into each other and shared cultural

environment, including the class society of Kollontai's (1927) *Red Love*, with tensions around how we live and how we would prefer to live.

Love deepens by moving from lower emotions and mental functions (direct, natural, biological and primitive) towards higher emotional and mental functions (indirect, culturally developed through mediation and internalisation), creating deep shared understandings—a new shared zone of proximal development (ZPD, drawn from Levykh 2008) build from a shared journey of mutual discovery, a bonding that grows into a shared destiny, what Russell (1997) says is *friendship gone mad*. Red Love wants the best for each other, not confined to the bedroom or household door, but reaching out into the wider social world; a neurological overdrive (Zeki 2007) crashing emotions, viewpoints and values, as Damasio (1994) says in ways conventional psychology can only marvel at and worlds away from Jane Austen's Elizabeth Bennett being so impressed by Mr. Darcy's mansion. As Paul Foot's (1995) *Red Shelley* records, Mary Wollstonecraft, lover of Shelley the poet, wanted a soul mate angry at social injustices. For working-class couples shared destiny is a shield against injustices, use-values freely given (Das 2020). Kollontai says,

Proletarian women have a different attitude [than feminists]. They do not see men as the enemy and the oppressor; on the contrary, they think of men as their comrades, who share with them the drudgery of the daily round and fight with them for a better future ... however apparently radical the demands of the feminists, one must not lose sight of the fact that the feminists cannot, on account of their class position, fight for that fundamental transformation of society, without which the liberation of women cannot be complete. ... women can become truly free and equal only in a world organized along new social and productive lines.

For Kollontai, red love does not reject *himpathy* and instead is founded on the self-emancipation of women feeling reinforced by social structures and public services supportive of equal relationships of whichever type women choose.

16.6.4 Conclusions: Personal Oppression

Marxists reject biological determinism while embracing some of the liberating technologies now available to women and the public services offering women new horizons. We view sexuality as a natural thing for people to share, rejecting patriarchal and oppressive attitudes towards women and in particular as socialists celebrating wholesome loving relationships between people. Ehrenreich and English's (2005) view that, *Feminism cuts through myths about "instinct" and romantic love to expose male rule as a rule of force* is rejected. Arguing that learned love can be disalienating, one of the joys of life. Improvements in women's social role have been made as part of the wider working-class movement, as Wypijewski (2020) says, *Me Too forgets about capitalism* and injustice, they are she say, *too eager to lock men up* not challenging *social circumstances*. If there is also an absence of love, then as the Avelings say (1886, one being Marx's daughter), this is *product of the commercial system of society*.

16.7 Feminism and Socialism: The Marxist Perspective

Social and moral relativism is a journey without a map or a compass, any stance is of equal value, any principle as valid as the next. Feminism focuses overly on individual sexuality and identity, often ignoring the important role of public services in freeing women from domestic drudgery. While sharing rejection of patriarchy and oppression, for Marxists these are rooted in material existence that alienates and distorts meaningful human relationships. Capitalism not men are the enemy. Here we explore how Marxists and feminists differ, emphasising how for Marxists public services and future socialised collective services are crucial to liberating women, we begin by summarising what Marx and Engels (remember in the mid-nineteenth century) had to say about the family.

16.7.1 *Marx and Engels Gender Oppression*

Marx and Engel pay enormous attention to the role of women, not all in one place and not under headings such as a women's oppression and liberation. People like Guettel (1974) suggesting they have little to say about women are just wrong. Beginning with the 1844 Manuscripts, Marx speaks of women being *bought and sold*, in the *Holy Family* of social progress being judged by position of women, and in the *Theses on Feuerbach* calling for the destruction of the family *in theory and in practice*. Engels' *Condition of the English Working Class* is filled with graphic stories of women working in late pregnancy, dragging young children to work, the drudgery and long hours, dangers of childbirth and exposure to immoral treatment all resulting in the *dissolution of family ties*. While in the 1960s, middle-class feminists 'discovered' women working, Engels is noting a century earlier whole families labouring in textile mills and mines, with women used as an industrial reserve army, called into work during capitalist booms or when capitalists could eject men and use less costly labour. In the *German Ideology* (1845, MECW-V:5), we read of the family evolving from a feudal production/reproduction unit and as a key linkage between social relations of production and social relations of reproduction. Marx and Engels challenge naturalistic (biological) theorisations of women's social role insisting that gender is a social construction. By the Manifesto (1848), they unravel the property basis of the bourgeois family, referring to it as a *ridiculous* model of normality, arguing it will die out as private property relations are smashed. By 1852, in *Wage Labour and Capital*, Marx unpacks the economic role of women distinguishing between unpaid UV labour of women in the home and EV commodities produced in employment.

By the *Grundrisse* (Marx's 1856–57 notes for *Capital*), Marx shows how feudal families produced and consumed what they needed, with an internal division of labour between genders and a family division of labour of skills. After urbanisation, periodic booms and crises drew women from the industrial reserve army into

working as low-cost labour. One of Marx's core critiques of capitalism is its inability to release the productive potential of technology, which could be used to create abundance, reduce working time and allow workers to spend more time with their families. Drawing attention to *latent slavery* within families, Marx commenting on early stage capitalism said, the workman now *sells wife and child* into employment. In concrete terms, he calls stronger legal protections. Analysing an unstable and unjust capitalism system he says labour in the home is non-productive meaning non-productive of profit for capitalist explaining how household labour is necessary to create that most versatile of commodities, labour itself. Like all commodities, its value is determined by the labour time necessary for its creation (V-1:536). While capitalism then must pay at least sufficient wages to maintain a *traditional standard of life* (V-1:458), super-exploitation can occur, paying wages below what is needed to sustain life. While crises will recur, social change Marx wrote to his friend Klugman, requires *ferment among women*. Marx and Engels are amongst the first and deepest critiques of the position of women in capitalism.

Socialism and Feminism

Perhaps aware of these analyses, Firestone (1970) says, *there is a growing recognition of—Marx's bias against women (a cultural bias shared by Freud as well as all men of culture)*. The Marxist analysis of the position of women in capitalism is also rejected by prominent feminists, such as Federici (2018) and Fraser (2009). Despite this, Marx and Engels and the subsequent Marxist tradition have created a lasting conceptual framework based around the social relations of production and social relations of reproduction interaction (often now called social reproduction theory (Bhattacharya 2017)). It is composed of concepts that have stood the test of time and which are drawn on by social theorists. This includes a rejection of bio-determinism; exploitation, oppression, domestic slavery; and the industrial reserve army of labour. The criticism that this socio-economic approach did not include personal level is unfair since the unit of analysis was social not personal. At a personal level, Marx's points on Peuchet (Vogel 1983) and love discourse by Marxists above illustrates the relevance of the concepts. Given technology and imperialism, Marx's analysis, like any theory needs re-applying and evolving, not rejecting.

Feminism is a separate movement from socialism with different philosophical stance using idealist categories revolve around subjective feelings in contrast Marxism's groundedness in material constructs (objective exploitation and oppressions). While Marxism historicised and grounded in point of production other idealisms, consumption; has a separate ungrounded philosophical stance: idealism. Marxists should robustly critique the feminist approach seeking to draw women towards socialism but not by an eclectic synthesis and instead as Kollontai and Zetkin argued by insisting that the role of women is embedded in socialist theory and practice.

Socialists are comfortable with Zetkin's conclusion: *There is no such thing as a 'woman's movement' in and of itself ... (A) women's movement only exists within the*

context of historical development and ... there is therefore only a bourgeois and a proletarian women's movement, which have nothing more in common than does Social Democracy with bourgeois society.

16.7.2 Use-Value Production and Distribution

M&E left their thoughts on distribution unfinished (xx) living before the working-class made gains in public services, they presumed that all the burden of social reproduction fell on the family, with patriarchy pushing the burden on to women. Benston (1969) correctly saw the value created by women in the family as use-value, however, wrongly categorised household labour as 'productive' (using the term morally, not in Marx's sense of creating SV for a capitalist). She supported wages-for-housework (WfH), a campaign taken up by Costa, Seccombe and Federici.

Following from Chap. 2, this book has argued that households create UVs that are distributed without money and by non-market means forming solutions to the problems family members would otherwise have (food, cleanliness and childcare). These UVs when aggregated are PV, the target of neoliberal policy and NPM, wishing to migrate these functions into the for-profit sector in the same way neoliberalism aims to remove public services from UVs and convert them into for-profit EVs. Our commitment to (local and national state) public services should not be misunderstood as a route to socialism, which requires conquest (and later completely restructuring of the state). Instead, public services as non-market UVs are a glimpse into what a socialist society has to offer: meeting needs not generating profit using democratically decided processes and goals at all levels of society, including workplaces. As argued above, we note that feminists leave capitalism intact and refer little to public services, which in our view as socialised UVs are essential to liberating women. We also differ on the route to liberation and the primacy of the working-class as agent of change.

16.7.3 Agency Organising Separately, Primacy in Struggle

Public Services

Fraser pays little attention to the public services as improving the position of women. The bourgeois women Sandberg (2015) and XX Factor (Wolf 2013) discuss are *part of the burden* non-productive capitalism class imposes on workers. Yet, waves of feminist thinking endorse the idea oppression makes women the primary agent of change, while instead socialists unite behind the banner of working-class leadership of change (including leading alliances enjoined by other classes). Socialists point to the welfare state, equality laws and struggle for women's pay and

access to employment, issue that since neoliberal dominance (around 1973) and NPM have been attacked.

Feminists argue that repressed women can revolt and secure change focusing on individuals or a vague movement not class *for itself*. They point to values and ideals, for example Yeoman's (2019) meaningfulness of change makes those most oppressed agents of change. This is an idealist view, disconnected from material reality, supported by Schatzki's (2019) idea that *doings and sayings* result in change. Fraser's (2019) *Manifesto for the 99%* is a moral exhortation not a programme for socialist change. Successful women's rights campaigners (Besant; Mother Jones Shaginian) instead point to collective organisation around the point of production, where power lies. Cliff (1981) makes the same critique of Rowbotham. Anarcho-reformists reject party organisation and leadership.

For Marx, other classes or sectional groups than the working-class cannot lead revolutionary change: they lack power, organisation and a coherent programme. A small working-class in 1917 Russia, 1949 China and 1959 Cuba led revolutions when peasants were more numerous, perhaps even more oppressed. Only the working-class has the knowledge and ability to introduce popular planning of industry in the workplace, community, regional, and nationally, to release the productivity potential of technology, thereby creating abundance and a better society. This knowledge comes accompanied by power at the point of production to stop flows of value and call a halt to capitalist cycles of accumulation. Since workers generate collective consciousness being gathered in workplaces, they can erect the dictatorship of the proletariat necessary to fight off capitalism counter-revolution. Only the working-class is able in a revolutionary situation to understand a revolutionary party's programme for change and the need for determined leadership and including the collective public services women need for *liberation by work* working, earning and socialing: Zetkin's *liberation from work*.

16.7.4 Shopping in Frankfurt

Do we live in a consumer society, yearning for the latest thing in competition with friends and neighbours (Schor 2020)—what Marx calls fetishizing commodities and *self-stupefaction*? Ambiguously, he also points out that capitalism underpays workers causing insufficient demand for goods and services. Are some people (women are sometimes mentioned) addicted to shopping and consuming? Writers from the Frankfurt school of Marxism (Marcuse (1964), Horkheimer and Adorno (1972) and Adorno (1991) think consumer addiction explains why capitalism survives. Especially women have become enraptured into quietude by consuming as hedonistic accumulators of consumer goods (think fast-fashion), wedding them to capitalism (think household debt): Galbraith's *Affluent Society* (1998), legitimising capitalism relations (Lèvi-Strauss 1969), goods and services Bocock (1993) lusted over for their symbolic value.

Marx rejects Say's Law (V-III) that supply creates its own demand. His whole thesis is that it is not consumption but uncontrolled capitalist accumulation of capital that drives capitalism and that however dispiriting levels of working-class consciousness appear, events and agitation can alter consciousness. Those advocating Keynesian demand management, forget how capitalism dismantled it when it suited.

There is no greater critic of needless consumption than William Morris, who urged people to *have nothing in your house that you do not know to be useful or believe to be beautiful*. The pages of the *Commonweal* paper he founded with Eleanor Marx (Tussy) and *News from Nowhere* (1890) continually sought to uplift workers the design of upholstery, artisanship of chairs, drawing attention away from ugly mass consumption. Troy (1984) argues that Soviet citizen turning from collective to competitive individual consumption undermined the culture of the Soviet Union. Marx understood what the pessimistic Frankfurt thinkers did not, that however dirty and demeaning life is, the flame of a better life, more reflective and discerning existing remains alight.

16.7.5 *Imperialist Domination and Feminism*

When British cartographers in the Punjab began mapping the land, they viewed their work as a rational, scientific exercise. Not so Punjabi farmers, especially illiterate Dalit caste, who without paperwork were soon victims of land-grabs. The result, Bhattacharya (2019) records were the famines of 1868 and 1877 killing eight-million people: though as Guha (2000) shows not without resistance, illustrating that Liberal critiques of imperialism are inadequate and becoming one of many terrible episodes in what Crosby (2004) terms *ecological imperialism*. Marxist-influence women including Inman (1940) and Mies (1986), Waring (1988), Eisenstein (2019) show how imperialism especially exploits women in developing countries, using their labour as an industrial reserve army. Swidler (2018) challenges the inability of liberal feminists to show the relevance of their identity and sexual politics to the economic exploitation of women by international companies.

Arab women Marxists such as Darraj (2002) and Ahmed (2021) highlight issues of women's economic dependency in Arab societies and the difficulties mounting political campaigns. Schild's (2015) analysis of women in South America accuses Fraser of ascribing political agency only to middle-class women, when working-class women face materialist issues.

16.7.6 *Socialist States*

Space prohibits analysis of women in socialist states. De Volo (2018) shows how at each of the critical moments facing the Cuban revolution since 1959, women have played a leading role. Smith and Padula (1996) narrate how Cuban women prefer

working for wages outside of the home and how the domestic division of labour has altered with provision of collectivised public services, made difficult by the USA boycott. Amazingly, Cuba is still able to supply half of all South American doctors, most of them women, giving a strong sense of the new Cuba person being created, albeit resource constrained (Nugent 2021).

Once Stalin's grip took hold of the Soviet Union, people like Kollontai raising issues of women's changing role were side-lined, in her case to ambassadorships. Women worked outside of the home, collective public services suffering without democratic planning. China is discussed in Chap. 20, here we can note the wide range of public services available and high (65% and rising) level of women's work-force participation.

16.7.7 *Love and Sex*

The Marxist dialectical method celebrated interpenetration of multi-layered and multilevel interweaving of social factors, as Sect. 16.6.2 arguing Marxists can successfully switch between the family and personal love, sexual intimacy and affection. Marxists can comment on personal emotions including love and relate them to material existence as evidenced in Kollontai's *Red Love*. Our view is that love is a learned relationship and a social relationship as Lotz (2015) argues; a *sensuous human activity* for Marx. Nobody has written more on love and emotions from a Marxist perspective than Ratner, a Marxist psychologist, who builds on the social learning perspective of Vygotsky, and calls for Marxists to engage with and challenge feminist a-social and non-materialist discourse on love and sex as a way of connecting with more women.

16.7.8 *Ecology*

Does the beauty of childbirth bring women closer to nature, are women—especially those who with partners are consumers on behalf of families and show concern for the environment? Marxists choose which areas of struggle on which to focus, anecdotally, just as women are often the majority at peace rallies, so too they often spend their political time on environmental issues. Howell and Allen (2017) find women more likely than men to follow Greta Thunberg in rejecting air transport or following Ocasio-Cortez's (although weak) green new deal? Swim et al. (2017) find that men reference scientific evidence in support of climate change policies while women refer to lifestyle, perhaps odd given the large number of women environmental scientists. Mies (2022) *Patriarchy and Accumulation on a World Scale* **notes that rigid household division of labour, she refers to housewifization, weakens environmental campaigning, which instead benefits from exchange of experiences and ideas connecting production for consumption with consumption.**

Capitalism as a holistic system requires systemic analysis and a programme for an alternative future reaching all corners of life-as-lived, not separated spheres.

16.7.9 Comparing Race and Gender and Socialist Response

Working-class collective consciousness and unity, knowledge and ability to plan come together to cement its place as agent of socialist revolution noting as Zetkin does that all socialist movements include in their programme the public services that collectively address the burden *domestic slavery* places on women. As socialist societies evolve the wide range of other issues facing women will come to the fore. This is also true of racism, which as Chap. 15 argued is best addressed by a united working-class, led with a clear anti-racism programme. Connecting differing areas of oppression, intersectionality, fruitfully sharpens analysis and breeds unity, like ideas planning for collectivised public services, all activity drawing together oppressed groups is welcome. Our next chapter on technology and democratic planning illustrates these advantages.

References

- Adorno TW (1991) *The culture industry: selected essays on mass culture*. Routledge, London
- Ahmed L (2021) *Women and gender in Islam: Historical roots of a modern debate*. Veritas Paperbacks, Cairo
- Alcoff LM (2006) *Visible identities: race, Gender and the self*. Oxford University Press, Oxford
- Allen AT (2006) *Feminism and motherhood in Western Europe, 1890–1970: the maternal dilemma*. Palgrave Macmillan, New York
- Ampofo AA (2001) When men speak women listen: gender socialisation and young adolescents' attitudes to sexual and reproductive issues. *Afr J Reprod Health* 5(3):196–212
- Andersen, M. L., & Hysock, D. (2009). Thinking about women, sociological perspectives on race and gender
- Arendell T (2000) Conceiving and investigating motherhood: The decade's scholarship. *J Marriage Fam* 62(1192):1207
- Bebel (1879) Popular. <https://www.marxists.org/archive/bebel/1879/woman-socialism/index.htm>
- Beedie CJ, Terry PC, Lane AM (2005) Distinctions between emotion and mood. *Cognit Emot* 19(6):847–878
- Begley L (2009) The other side of fieldwork: Experiences and challenges of conducting research in the border area of Rwanda/eastern Congo. *Anthropol Matter* 11:2
- Belenky MF (1986) *Women's ways of knowing*. Basic Books, New York
- Benston M (1969) The political economy of women's liberation. *Mon Rev* 21(4):13–27
- Bertay AC, Dordevic L, Sever C (2020) Gender inequality and economic growth: evidence from industry-level data. IMF
- Bhattacharya T (ed) (2017) *Social reproduction theory: remapping class, recentring oppression*. Pluto Press, London
- Bhattacharya N (2019) *The great agrarian conquest – the colonial reshaping of the rural world*. Albany, New York
- Bocock R (1993) *Consumption*. Routledge, London

- Bos AL et al (2021) This one's for boys: how gendered political socialization limits girl's political ambition and interest. *Am Polit Sci Rev* 116:2. <https://doi.org/10.1017/S0003055421001027>
- Bott E (1971) *Family and social network*, 2nd edn. Free Press, New York
- Butler J (1990) *Gender trouble*. Routledge, New York
- Caffentzis G, Federici S (2014) Commons against and beyond capitalism. *Commun Dev J* 49(suppl_1):i92–i105
- Cannold L (2005) *What, no baby? Why women are losing the freedom to mother, and how they can get it back*. Curtin University Press, Fremantle
- Cgiar (2023) *Cgiar gender platform evaluation*, Rome, <https://iaes.cgiar.org/>
- Cheng E, Wang G, Zhu K (2019a) The creation of value by living labour – a normative and empirical study, vol I. Canut, Berlin
- Cheng E, Wang G, Zhu K (2019b) The creation of value by living labour, – a normative and empirical study, vol II. Canut International Publishers, Berlin
- Chodorow N (1978) *The reproduction of mothering: psychoanalysis and the sociology of gender*. University of California Press, Berkeley
- Chodorow NJ (1996) Gender as a personal and cultural construction. *The second Signs reader*, Oct 1, pp 216–244
- Clark C, Roy KC (1997) *Comparing development patterns in Asia*. Lynne, Colorado
- Cliff T (1981) Clara Zetkin and the German socialist feminist movement. *Int Socialism* 2(13):29–72
- Clough S (2003) *Beyond epistemology: a pragmatist approach to feminist science studies*. Rowman & Littlefield, Lanham, MD
- Coltrane S (1996) *Family man: fatherhood, house work, and gender equity*. Oxford University Press, New York
- Costa MD, James S (1971) *The power of women and the subversion of the community*. Petroleuse Press, New York
- Crosby AWW (2004) *Ecological imperialism – the biological expansion of Europe 900–1900*. Cambridge University Press, Cambridge
- Crosby F, Clayton S (1990) Affirmative action and the issue of expectancies. *J Soc Issues* 46(2):61–79
- Damasio AR (1994) *Descartes error: emotion relationality and the human brain*. Polity, New York
- Damasio AR (1999) *The feeling of what happens*. Heinemann, London
- Darraj SM (2002) Understanding the other sister: the case of Arab feminism. *Mon Rev* 53:10
- Darwin C (1871) *The descent of man and selection in relation to sex*. John Murray, London
- Das A (2020) “Crossover” in depressive symptoms among older couples: are previous findings artifactual? *J Aging Health* 32(1–2):3–13
- Daston L (2003) *The faces of nature in enlightenment Europe*. Springer, Berlin
- Daston L (2008) *Natural law and laws of nature in early modern Europe: jurisprudence, theology, moral, and natural philosophy*. Ashgate, Aldershot
- Davidson RJ (1994) On emotion, mood and related affective constructs. In: Ekman P, Davidson RJ (eds) *The nature of emotion*. Oxford University Press, Oxford, pp 51–55
- De Volo L (2018) *Women and the cuban insurrection: how gender shaped Catro's victory*. Cambridge University Press, Cambridge
- Derrida J, Roudinesco (2004) *For What Tomorrow...: A Dialogue*
- Dickens P (2000) *Social Darwinism*. Open University Press, Buckingham
- Dobbin F, Kalev A (2016) Why diversity programs fail. *Harv Bus Rev* 94(7/8):52–60
- Dow BJ, Wood JT (eds) (2006) *The Sage handbook of gender and communication*. Sage, London
- Eagly A, Steffen V (1986) Gender and aggressive behavior: a meta-analytic review of the social psychological literature. In: Eagly AH (ed) *Sex differences in social behavior: a social role interpretation*. Lawrence Erlbaum, Hillsdale, NJ, pp 128–135
- Ehrenreich B, English D (2005) *For her own good*. Anchor, New York
- Eisenstein H (2019) Feminism seduced: globalisation and the uses of gender. *Aust Fem Stud* 25(66):413–431

- Elson D and Seth A (2019) *Gender equality and inclusive growth: Economic policies to achieve sustainable development*, United Nations, NY
- Epstein RM (1999) Mindful practice. *J Am Med Assoc* 282(9):833–839
- Federici S (2004) *Caiban and the Witch – women, the body and primitive accumulation*. Autonomedia, New York
- Federici S (2018) Marx and Feminism. *tripleC Commun Capital Crit* 16(2):468–475
- Fine M, McClelland SI (2023) Sexuality education and desire: still missing after all these years. *The critical pedagogy reader* Nov 1, Routledge, pp 291–323
- Fincher LH (2014) *Leftover women: the resurgence of gender inequality in China*. Zed Books, Hong Kong
- Firestone S (1970) *The dialectic of sex*. The Women's Press
- Flap H, Volker B (eds) (2004) *Creation and returns of social capital: a new research program*. Routledge, London, pp 3–23
- Foot P (1995) *Red Shelley*. Bookmarks, London
- Foster JB (2000) Marx's ecology – materialism and nature. *Monthly Review Press*, New York
- Foucault M (1972) *The archeology of knowledge*. Basic Books, New York
- Foucault M (2006) *History of madness*. Routledge, London
- Fraser N (2000) Rethinking recognition, *New Left Review*, May/June, pp 107–120
- Fraser N (2005) Reframing justice in a globalizing world. *New Left Rev* 36:69–88
- Fraser N (2009) Feminism, capitalism and the cunning of history. In: *Citizenship rights*. Routledge, London, pp 393–413
- Fraser N (2019) *Manifesto for the 99%*
- Fraser N (2023) From progressive neoliberalism to Trump—and beyond. In: *Identity trumps socialism*. Routledge, pp 99–113
- Friedan B (1963) *The feminine mystique*. Dell, New York
- Galbraith JK (1998) *The affluent society*. Houghton Mifflin Harcourt
- Garey AI (1999) *Weaving work and motherhood*. Temple University Press, Philadelphia
- Gilligan C (1982) *In a different voice: psychological theory and women's development*. Harvard University Press, Cambridge, MA
- Goldie P (2002) *The emotions - a philosophical exploration*. Clarendon, Oxford
- Goldin C, Katz LF (2002) The power of the pill: oral contraceptives and women's career and marriage decisions. *J Polit Econ* 110(4):730–770
- Goldin C, Katz L (2015) Women working longer. *Women Working Longer* 19:11
- GPE (2019) (Vivares E) *Academic contours of IPE and GPE*. The Routledge Handbook to Global Political Economy
- Gray J (2004) *Two faces of liberalism*. Polity, Cambridge
- Grimshaw D, Fagan C, Hebson G, Tavora I (2017) A new labour market segmentation approach for analysing inequalities: introduction and overview. In *Making work more equal*, Sep 1 (pp 1–32). Manchester University Press
- Guettel C (1974) *Marxism & feminism*. Women's Press, Toronto
- Guha R (2000) *Unquiet woods*. California University Press, Oakland, CA
- Haraway D (1989) *Primate visions: gender, race, and nature in the world of modern science*. Routledge, New York
- Harding S (1991) *Whose science? Whose knowledge?* Cornell University Press, Ithaca, NY
- Harding J (2000) *The uninvited: refugees at the rich man's gate – migrant journey to the rich world*. Profile Books, London
- Hartsock N (1987) The feminist standpoint: developing the ground for a specifically feminist historical materialism, in Harding 2004, *ibid*.
- Haslanger S (2000) Gender and race: (What) are they? (What) do we want them to be? *Noûs* 34(1):31–55
- Hickel J (2016) Is global inequality getting better or worse? A critique of the World Bank's convergence narrative. *Third World Q* 38(10):2208–2222

- Hochschild AR (1983) *The managed heart – commercialisation of human feeling*. University of California Press, Berkeley, CA
- Horkheimer M, Adorno TW (1972) *Dialectic of enlightenment*. (J. Cumming, Trans.). Herder and Herder, New York
- Howell RA, Allen S (2017) People and the planet: values, motivations and formative influences of individuals acting to mitigate climate change. *Environ Values* 26(2):131–155
- Hrdy S (1986) Empathy, polyandry, and the myth of the coy female. In: Bleier R (ed) *Feminist approaches to science*. Pergamon Press, New York, pp 119–146
- Hrdy SB (1999) *Mother nature: a history of mothers, infants, and natural selection*. Pantheon, New York
- Ilyenkov EV (2008) *Dialectical logic – essays on its history and theory*. Aakar Books, Delhi
- Ilyenkov EV (2020) *Intelligent materialism – essays on hegel and dialectics*. Haymarket, Chicago, IL
- IMF (2018) *Economic gains from gender inclusion: new mechanisms, new evidence*. IMF Staff Discussion Note 18/06, Washington
- Inman M (1940) The role of the housewife in social production
- Kim K, Sumner A, Yusuf AA (2019) Is structural transformation-led economic growth immiserizing or inclusive? The case of Indonesia, Chapter 10. In: Shaffer P, Kanbur R, Sandbrook R (eds) *Immiserising growth – when growth fails the poor*. Oxford University Press, Oxford
- Kinder T, Stenvall J (2021) Public value and public services in the post-virus economy. *Public Sector Econ* 45(3):329–361. <https://doi.org/10.3326/pse.45.3.x>
- Kinder T, Six FE, Stenvall J, Ally Memon A (2021a) Relational leadership in collaborative governance ecosystems. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2021.1879913>
- Kinder T, Six F, Stenvall J, Ally Memon A (2021b) Emerging governances, different perspectives. *Int Public Manag Rev* 21(2):5–26. <https://doi.org/10.1080/14719037.2021.1879913>
- Klein G, Phillips JK, Rall EL, Peluso D (2007) A data-frame theory of sensemaking. In: Hoffman RR (ed) *Expertise out of context*. Erlbaum, Mahwah, NJ
- Kohlberg L (1981) *Essays on moral development, Vol. I: The philosophy of moral development*. Harper & Row, New York
- Kollontai A (1915) The Third International. *The American Socialist* [Chicago] 2:15, 155 (Oct. 23), p 2
- Kollontai A (1927) *Red Love*. Seven Arts Publishing Co, New York
- Leibbrandt A, List JA (2014) Do women avoid salary negotiations? Evidence from a large-scale natural field experiment. *Manag Sci* 61(9):2016–2024
- Lever J (1978) Sex differences in the complexity of children's play and games. *Childhood socialization*, pp 325–343
- Levins R, Lewontin R (2009) *The dialectical biologist*. Aakar Books, Delhi
- Lèvi-Strauss C (1969) *Myśl nieoswojona* [The savage mind]. Tłum. A. Zajączkowski. Wydawnictwo Naukowe PWN, Warszawa
- Levykh MG (2008) The affective establishment and maintenance of Vygotsky's zone of proximal development. *Educ Theory* 58(1):83–101
- Lewontin R (1993) *Biology as ideology*. Harper-Collins, New York
- Liu Y, Rao K, Wu J, Gakidou E (2011) China's health system performance. *Lancet* 372:1914–1923
- Lloyd E (2005) *The case of the female orgasm: bias in the science of evolution*. Harvard University Press, Boston
- Lloyd DMG, Newlands D (1993) The role of regional development agencies in regional economic regeneration. In: Hart M, Harrison R (eds) *Spatial policy in a divided nation*. Jessica Kingsley, London
- Longino H (1990) *Science as social knowledge: values and objectivity in scientific inquiry*. Princeton, NJ
- Lotz C (2015) *The capitalism schema: time, money and the culture of abstraction*. Routledge, London
- Lugones M, Spelman E (1983) Have we got a theory for you! Feminist theory, cultural imperialism, and the demand for 'the woman's voice'? *Women's Stud Int Forum* 6:573–581

- Lukács G (1923/1972) *History and class consciousness: studies in Marxist dialectics*. MIT Press
- Lyotard J-F (1994) *The postmodern condition*. In: *The postmodern turn: new perspectives on modern theory*, Paris, pp 27–38
- Ma Q (2006) *Non-governmental organisations in contemporary china: paving the way to civil society?* Routledge, London
- MacKinnon C (1989) *Toward a feminist theory of the state*. Harvard University Press, Cambridge, MA
- MacKinnon C (2000) Points against postmodernism. *Chicago-Kent Law Rev* 75:687–712
- Mahn H and John-Steiner V, 1996, *A gift of confidence: a vygotskian view of emotions*, Beacon Press, Boston
- Marcuse H (1964) *One-dimensional man: studies in the ideology of advanced industrial society*. Beacon Press, Boston
- Martin CL, Fabes RA (2001) The stability and consequences of young children's same-sex peer interactions. *Dev Psychol* 37:431–446
- Maushart S (1999) The mask of motherhood how becoming a mother changes everything and why we pretend it doesn't. The New Press, New York
- McRobbie A (1994) Folk devils fight back. *New Left Review*, Sept 107–107
- Mesquita GR (2002) Vygotsky and the theories of emotions: in search of a possible dialogue. *Psicologia: Reflexão e Crítica* 25(4):809–816
- Mies M (1986) *Patriarchy and accumulation on a world scale*. St Martins, New York
- Mies M (2022) *Patriarchy and accumulation on a world scale: women in the international division of labour*. Bloomsbury Publishing, London
- Milillo D (2008) Sexuality sells: a content analysis of lesbian and heterosexual women's bodies in magazine advertisements. *J Lesbian Stud* 12(4):381–392
- Millett K (1970) *Sexual politics*. Columbia University Press
- Mitchell J (1966) *Women: the longest revolution*. New Left Rev 40
- Nadasen P (2002) Expanding the boundaries of the women's movement: black feminism and the struggle for welfare rights. *Fem Stud* 28(2):271–301
- NCDV (2023) National Centre for Domestic Violence, available at (accessed 170225) <https://www.ncdv.org.uk/domestic-abuse-statistics-uk/>
- Nicholson V (2011) *Singled out – how two million women survived without men after World War-I*. Bloomsbury, London
- Nugent C (2021) How Doctors became Cuba's main export. <https://time.com/5467742/cuba-doctors-export-brazil/>
- Our World (2023). <https://ourworldindata.org/economic-inequality-by-gender>
- Oxfam (2017) *Inequality report*. <https://www.oxfam.org/en/tags/wealth-inequality>
- Pitts-Taylor V (2013) I feel your pain: embodied knowledges and situated neurons. *Hypatia* 28(4):852–869
- PNAS (2023) (accessed 021223) <https://www.pnas.org/doi/10.1073/pnas.2221910120>
- Potter-Efron R (2002) *Shame, guilt and alcoholism: treatment issues in clinical practice*. Haworth Press, Oxford
- Quine WVO (1963) Two dogmas of empiricism. In: *From a logical point of view*. Harper & Row, New York
- Ratner C (1991) *Vygotsky's sociohistorical psychology and its contemporary applications*
- Rentola K (2023) *How Finland survived stalin – from winter war to cold war*. Yale University Press, New Haven
- Rockhill G (2023) The myth of 1968 thought and the french intelligentsia. *Math Rev* 75(2):19–49
- Rooney P (1991) Gendered reason: sex metaphor and conceptions of reason. *Hypatia* 6:77–103
- Rose H (1987) Hand, brain, and heart: a feminist epistemology for the natural sciences. In: Harding and O'Barr 1987
- Ruddick S (1983) Maternal thinking. In: Trebilcock J (ed) *Mothering: essays in feminist theory*. Rowman & Littlefield, Savage, MD, pp 213–230
- Ruetsche L (2004) Virtue and contingent history: possibilities for feminist epistemology. *Hypatia* 19(1):73–101

- Russell B (1997) *Principles of social reconstruction*. Psychology Press, Oxford
- Sadker M, Sadker D (1994) *Missing in interaction. Failing at fairness: how America's schools cheat girls*. Basic, New York
- Sam A (2009) (Young translation) *Checkout: a life on the tills*, Gallic Books, Bristol
- Sandberg S (2015) *Lean in-women, work and the will to lead*, http://www.ted.com/talks/sheryl_sandberg_why_we_have_too_few_women_leaders
- Sandel MJ (2020) *The Tyranny of merit – what's become of the common good?* Allen Lane, London
- Schatzki TR (2019) *Social change in a material world*. Routledge, New York
- Schiebinger L (2007) *Plants and empire: colonial bioprospecting in the Atlantic World*. Harvard University Press, Cambridge, MA
- Schild V (2015) Feminism and neoliberalism in Latin America. *New Left Rev* 96(1):90–106
- Schor JB (2020) 'The overspent American: why we want what we don't need' culture industry as mass deception
- Schultz TP (2002) Why governments should invest more to educate girls. *World Dev* 30(2):207–225
- Sears C et al (2017) Implementation of individually tailored treatment plans in a group-based intervention for women with mixed vulvo-vaginal and sexual health concerns following cancer treatment: a feasibility study. *Eur J Oncol Nurs* 63:102236
- Shehhi M (2018) *A criminological critique of body worn cameras in policing: the case of the United Arab Emirates*, PhD Thesis (unpublished), Manchester University
- Sixthtone (2023). <https://sixthtone.com.news>, work/life balance
- Smith LM, Padula A (1996) *Sex and revolution: women in socialist cuba*. Oxford University Press, New York
- Spar DL (2020) Good fellows: Men's role & reason in the fight for gender equality. *Daedalus* 149(1):222–235
- Spelman EV (1988) *Feminist theory and the philosophies of man*. Basic, New York
- Starling T (2023) Women in the Household. <https://www.starlingbank.com/news/women-report-doing-majority-of-household-tasks-in-relationships/>
- Swidler E (2018) Invisible exploitation: how capital extracts value beyond wage labour. *Mon Rev* 69(10):29–36
- Swim JK et al (2017) Gendered discourse about climate change policies. *Global Environ Change* 48:216–225. <https://doi.org/10.1016/j.gloenvcha.2017.12.005>
- Tanenbaum K, Tanenbaum TJ (2009) Commitment to meaning: a reframing of agency in games. UC Irvine: Digital Arts and Culture. Retrieved from <https://escholarship.org/uc/item/6f49r74n>
- Thorne B (1993) *Gender play: girls and boys in school*. Rutgers University Press
- Troy E (1984) (part-1) 1992, (part-2) *The social wage*. Crabtree Press, Hove
- Tully J (2014) *Silvertown – the lost story of a strike that shook London and helped launch the modern labour movement*. Monthly Review Press, New York
- UNESCO (2022) Action for gender equality at <https://www.unesco.org/en/gender-equality/education>
- Vernadsky VI 1929 (1967) *The biosphere (Abridged version)*. Synergetic Press, Moscow
- Vogel L (1983) *Marxism and the oppression of women*. Haymarket Books, Chicago, IL
- Vygotsky LS 1934 (2008) *The collected works of LS vygotsky*, vol 5 1998, 187–205. Cambridge University Press, Cambridge
- Waring M (1988) *If women counted*, San Francisco, CA
- WEF (2023) Gender rankings. <https://www.weforum.org/publications/global-gender-gap-report-2023/in-full/benchmarking-gender-gaps-2023/#:~:text=Although%20no%20country%20has%20yet,least%2080%25%20of%20their%20gap>
- West C, Zimmerman D (1987) Doing gender. *Gend Soc* 1:125–151
- Wille L, Deros E (2018) When job ads turn you down: how requirements in job ads may stop instead of attract highly qualified women. *Sex Roles* 79(78):464–475
- Wolf A (2013) *The XX factor: how working women are creating a new society*. Profile Books, London
- Wood Simmons M (1911) *Co-operation and housewives*. The Masses, Glasgow

- Wypijewski JA (2020) What we don't talk about when we talk about/me too: essays on sex, authority and the mess of life. Verso, London
- Yeoman R (2019) Ethics, meaning and mutuality. Routledge, London
- Yoder JD, Christopher J, Holmes JD (2008) Are television commercials still achievement scripts for women. *Psychol Women Q* 32(3):303–311
- Young M (1958) The rise of the meritocracy 1870–2033: an essay on education and society. Thames and Hudson, London
- Young I (1980) Socialist feminism and the limits of dual systems theory. *Socialist Review* 10(2/3):169–188
- Zeki S (2007) The neurobiology of love. *FEBS Lett* 581(14):2575–2579
- Zetkin C (Ed. Foner PS) (1984/2015) Selected writings. Haymarket Press, Chicago, IL
- Zetkin C (1896) Only in Conjunction with the Proletarian Woman Will Socialism Be Victorious. <https://www.marxists.org/archive/zetkin/1896/10/women.htm>
- Zhang W (2023) China's health and health care in the 'new era'. *Mon Rev* 5(5):13–28
- Zhou E (2023) Age at marriage and marital stability – evidence from China. *Rev Econ Househ* 22:297–328

Chapter 17

Marx, Technology and Public Services



Abstract Marx is ambivalent about science and technology seeing the potential for improving life quality, reducing demands from nature and abundance while noting their potential alienating labour processes and job losses. Capitalism makes science a commodity, Marx says, guiding breakthroughs towards for-profit technologies instead of meeting human needs: applying the social brain to solving social problems. Replacing value-creating labour by capital machines causes the rate of profit to fall resulting in crises and misery. He says, technology uses the knowledge from dead generations of workers to exploit living labour. This chapter clarifies productive labour, critiques work by Wood, Kuhn, Schumpeter, Landes, Castells and Yeoman's idealism and finds no class content in the work of Penrose and Soete while highlighting contributions to understanding science by Needham, Cauldwell and Bernal. Applying triple helix to developing countries is criticised. Public services already benefit from technology such as robotic surgery, IT and AI and gene editing; however, it can subjugate staff into mind-numbing work, underlining the need for democratic planning at workplace level on the direction and benefits of technological innovations and avoiding deterministic technology-oriented change. The principle of 'from each according to their ability, to each according to his work' is unpacked.

17.1 Marx a Scientist on Science

Marx regarded himself as a scientist uncovering social laws and paid close attention to the physical science and its social uses. Little (1986) says that Marx was amongst the first to see similar logical systems applying in both physical and social sciences, providing a coherent picture of how system practice occurs and pointing to accumulation of data for assessing predictions. Like Aristotle, Marx held that knowledge is *justified true belief*, adding it exposes the essence disguised by appearance—science analyses causes and relationships and is not content simply to describe them and evolves dialectically.

For Marx, science is not defined by the use of reason or particular method but instead by the dialectic of humanity and nature: a view of science as correspondence (with reality) and coherence (consistent theorisation) closely related to Peirce's abduction (*retroduction*) as opposed to Aristotelian induction/deduction and Dewey's (1925, 1939) pragmatic technology (see Hickman 1992) and logic as problem-solving. Marxism firmly defends science against the current anti-scientific post-modern relativism, resurgence in the USA (Foster et al. 2008) of religious epistemology and deterministic views of humanity in behaviourist and other social theories. Unlike Kuhn's (1962) scientific paradigms, Marx argued that science evolves not with great men type discovery, but with cumulatively building on past theory, as Bedford and Workman (2024: 60) say, *Just as dead labour blends with living labour in the production of commodities, so dead theory profoundly shapes living theory in the library*. Marx's approach to science is akin to Bhaskar's (2010) holistic realism, as Timpanaro's (1980) discussion of materialism reveals, in which subject and object instead of being counter-posed unite by mutually influencing, found in Ilyenkov's (2020) dismissal of ideals (ungrounded ideas or ideology) and Vygotsky's (1934) referencing of context and culture in social learning and new knowledge generation. Marx's method is illustrated by his two great discoveries. In unpacking the commodity as value, he insists (citing Hegel) that analytic *a posteriori* evidencing reveals a deeper germ-cell essence deeper than mere appearance, the abstract nature of value and of labour. Secondly, Marx follows the same abductive (retroductive) approach as Peirce (1866, 1998), elucidated in Megill (1967) and McKaughan (2008). He abduces from observing periodic capitalist crises that the tendential falling rate of profit (the result of rising OCOC) causes crises, thereby concluding the inherent instability of capitalism. In summary, Marx's scientific dialectical materialist method rejects subject/object dualism, embraces dialectical movement in both social and natural affairs, views science as correspondence and coherence and has close affinities with Pierce's abduction and Dewey's pragmatic problem-solving.

The story of school child who writes $1 + 1 = 3$ illustrates how post-modernism views science. Each person negotiates what is true for them. For Marx truth in science is not individually negotiable, $1 + 1 = 2$ always and everywhere. Post-modernism's denial of truthhood supports pseudo-science, denial of expertise, conspiracy theory: it is childish nonsense, a shortcut to unscientific thinking. It is not 'clever'; it is cancerous infantilism.

Ilyenkov (2020) calls attention to Marx's dismissal of objectivism/positivism—the uncritical accumulation of 'facts' or data insufficiently paying attention to the need to interpret the data's meaning, to make visible hidden causal relationships beneath the data, what Hacking (2000) terms *reason-masquerading-as-innocence*. Thus, Marx's approach to science is nuanced: while heralding future communist abundance, science in the hands of capital can exploit and oppress; science can also

become unscientific either from objectivism (positivism) or subjectivism (relativism). All knowledge is a construct by humans; science represents the processes of adding to our stock of learning and the flow processes using cumulated learning in the *social brain*.

17.2 Commodities and Technology

Marx uses the story of a tailor producing a coat to illustrate how the coat as a use-value (UV) becomes an exchange-value (EV) on the market migrating into a money relation (money-commodity-money+ or M-C-M¹) the M¹ representing value including surplus-value (SV) from selling the coat. Lower costs come for example by intensification of labour. He reports mill-girl Annie Walkley worked 16.5 hours before dropping dead from exhaustion. Reduced costs also arise from lower ‘M’—automated technology lowering labour costs. This chapter is about the lowering of ‘M’, how and why and with what effects technology is introduced into labour processes.

No technology is neutral; all technology poses questions about who benefits and its socio-ecological impact: all technology is social-shaped, hence Marx’s ambivalent attitude towards science and technology (S&T).

An example from artificial intelligence (AI)-enabled robotic surgery. 5000 bot units currently perform one million operations per year, largely urology and gynaecology. Surgical’s *da Vinci Surgical System* costs about US\$ 400,000 plus the cost of the surgical theatre and staffing. The surgi-bot takes in sensory data from optical sensors, temperature and humidity sensors, ultrasonic sensors, vibration sensors and millimetre-wave sensors in addition to CT (computed tomography) scans, all added to database of previous operations and training data interrogated using dedicated algorithms. Take the UK with a 2-year waiting list for hip operations, which human surgeons do two or three a day, and the surgi-bot can do in two hours or twelve each day, 84 each week. The example is simplified and ignores availability of theatre staff. It examples the power of technology productivity. Public services bots (for example) sort rubbish, drive vehicles, diagnose X-rays and control traffic.

- Industrial innovations require changed social relations, mediated by technology: education, training, size and flexibility of the labour force, altered patterns of consumption.
- Scientific advances are not idealist deduction or ‘great men;’ instead collectives, rooted in the society, shape technologies by the *morè*s, values and goals of society, new solutions to social needs.
- Leveraging productivity from nature’s gifts always requires technology. Foster and Burkett (2018) note technology mediates between humans and nature, but excessive taking from nature creates and widens a *metabolic rift* between what nature can sustainably provide and what is taken.

- Unlimited productivity gains from science and technology possible—prospect of abundance satisfying everybody's needs.
- Marx saw how technology in the hands of capitalists can create subjugation, de-skilling (Braverman 1974) and alienation (Wendling 2003); workers try to control the direction and pace of technology, and benefits distribution.
- Marx saw how international divisions of labour change, presaging Kondratieff's long waves and Schumpeter's (1934) institutional change. Maksakovsky (2005), writing in 1930, disputes Kondratieff, from an under-consumptionist perspective arguing that Department-II (consumption) pulls Department-I (capital goods) innovations. Unlike Kondratieff, Maksakovsky offered no empirical support and was largely rejected.
- He did not foresee RD&D professionalisation (Freeman 1982) or how extensive state support would become; he did see technological developments in military technologies.
- In Marx's era of humanism descending into liberalism; Marx criticised philosophy of right and of liberal individualism.

Marx is dialectically ambivalent about technology: seeing positives and negatives. He is accused of being a technological optimist (Bukharin 1931), a pessimist (Postpone 2003), a determinist (Winner 1977) and a productivist (Benton 1989). All these are discussed below, also Malm's (2016) criticism of Marx's colleagues, and Tanuro's (2010) argument of Marx's under-achievements. Contesting Darwin, Marx argued that cooperation is more innovative than competition; we consider this in relation to DNA cooperative advances, USA-inspired Chip Wars and Japan/USA competition. We show how closing the science-invention to technology-innovation gap benefits public services, noting also design ideas from staff and service users, also discussing R&D-oriented institutions (universities and institutions), e.g. in environmental and food standards and public-private partnerships (PPPs) with companies. Some public services depend on advances, e.g. pharmaceuticals and surgical techniques, e-learning and smart housing technologies for independent living.

Surplus-value (SV) (profits, interest and rents) + starter and circulating capital = constant capital (CC) + variable capital (wages). Added CC raises productivity but increases OCOC (organic composition of capital) and reduces rate of profit $(S/C + V) = (S/V)/C/V + 1$. Counter-vailing tendencies include cheapening CC. New commodity value = $V + S$; $C/V = [C/(V + S)]/[V/(V + S)]$, i.e. fixed capital over GDP (capital-GDP ratio) gives OCOC. Minqi Li (2020) expresses the change as if $\Delta K_t/Y_t$ = investment-output ratio; and Y_t/Y_{t-1} = capital stock growth rate and ΔK = net investment less depreciation, i.e. capital stock: $\Delta K/K_{t-1} = [\Delta K_t/Y_t * (Y_t/Y_{t-1})]/(K_{t-1}/Y_{t-1})$ the growth of capital stock depends on net investment-output ratio and existing capital-output ratio, with lower capital-output ratio resulting in higher capital stock growth rate, and capital growth converges in long term with overall economic growth, approximating to labour productivity and labour force growth rates (Sheeham 1985).

17.3 Technology and Innovation

Marx showed how innovation helps capital accumulation and in doing so leads to a tendency for the rate of profit to fall (TRPF) expressed (V-III:211) as a rising organic composition of capital (automation displacing labour) meaning less value-adding labour since only labour creates value (see box). Capitalists can increase SV by adding workers or lengthening the working day (absolute SV), using the same technology, or innovate new technologies and increase efficiency (relative SV). Innovation is not restricted to the workplace; it is always social: social acceptance of the product, social provision of suitably educated and trained workers, social financing: technical and the social dialectically interrelate. Dewey's *pragmatic technology* (1929; Hickman 1992) captures this, also Freeman's (1992) socio-technical paradigm. Freeman says innovations are always non-linear, radical or incremental and result in unforeseen outcomes. Innovations face barriers (technical capability, market acceptance), but network technologies benefit from complementarities adding performance. Technically innovation improves the ratio between inputs and outputs. Fransman (1986) suggests that oligopolistic industrial structures mostly result in innovation since competition is intense, part of Japan's 1970s success; Badaracco (1985) and Carr (2020) point to innovation cooperation at home and oligopolistic competition abroad.

Robotics in manufacturing and public services, Ford (2016) predicts, will displace labour. Early robots introduced fixity; today AI-enabled robots Wajcman (2022) says offer flexibility *and* automation. Brynjolfsson and McAfee (2011) under-estimate the knowledge capture from AI, which, Urry (2016) argues, can align production and demand.

At the micro-level innovation is defined in terms of altering the input-output ratio; for Marx at a macro-level innovation at the abstract level of value creates more relative SV and reduces the (value-adding) labour, heralding crisis; capitalism as a whole system is overall unit of analysis.

17.4 Historicising Marx's Views Science, Technology and Innovation

17.4.1 *Marx and Alternative Views of Science and Technology*

Marx's views on science can be illustrated by comparison with some notable authors.

- Wood (1991, 1995, 1999, 2012) explains innovation and accumulation by exploring the agency of capitalists and workers each impelled to play roles in a capitalist system nobody controls. She highlights the UV/EV contradiction dismissing, like Marx, Weber's (1978; Lowith 1982) protestant work ethic as idealism.

- Kuhn's (1962) 'normal' science is an intellectual thought corridor in which scientific problems are solved until too many puzzles arise resulting in old paradigm rejection. Marx would reject this relativist account of science, driven by in-the-head idealist puzzles and not social choices, and instead point to experimenting and curiosity. He would similarly reject Feyerabend's (1975) denial of rules for scientific inquiry and Lakatos' (1978) relativist science. For Marx, critical realism (close to Bhaskar 1993) reveals dialectical social 'laws' similar to natural laws.
- Schumpeter (1934) envisages 'lumpy' creative destruction, followed by technology diffusion and capitalist growth accompanied by new forms of finance, business models and legal codes. Marx rejects the 'lumpy' approach, akin to Soete's later socio-technical paradigm (Freeman and Perez 1988). Instead, Marx views innovation more in Darwinian terms of evolution of new ideas, emerging from practice and social groups not 'great men'.
- Landes' (1969) *Unbound Prometheus* argues capitalism is not driven by profit accumulation and instead personalised motivation. North (1990) unpersuasively focuses on institutions, without explaining why accumulation occurs.
- Castells (Banet-Weiser and Castells 2017) focuses on individual hackers, working in volunteer networks freely flowing information, mentioning also Taylorisation and neoliberalism, but without viewing capital accumulation as a driver. Hardt and Negri (2009) eulogise open source, speaking of an idealist 'commons'.
- The British technology economists (Needham 1986, Cauldwell (1948), Bernal 2008) follow Marx's social and technical perspective on innovation. For example, Needham explains China's 1700 technology leadership without migrating into capitalism, in terms of an over-centralised society dominated by scholars, whereas Europe more eclectically embedded ideas from across the globe, and primitive accumulation from colonies.
- There are innumerable idealist accounts of innovation and change such as Yeoman's (2019) in-the-head *meaningfulness* and Laclau and Mouffe's (1985) 'rainbow' alliance substituting for class forces ending capitalist accumulation. Christian attitudes towards nature (White 1962) are no less idealist than Chalmer's (1994) view of in-the-head scientific processes, and Foucault's (1972) autonomy from the material world. Ilyenkov (2020) scathingly attacks idealisms disconnected from material reality.

17.4.2 Marx and Engels on Science and Technology

Marx and Engels in the *Manifesto* marvelled how productive technological could be, envisioning achievement meeting social UV needs, instead of technology and innovation pursuing profit. Following Epicurus, they adopt a materialist dialectic noting that science holds both emancipatory power and the ability to destroy and

cause havoc; they emphasise human relations with nature and the need to treat nature sustainably.

Actor network theory (Bijker, Law, Canon Farias, 2015 and Law (2009) is not often used in sociology and business studies. It suggests that technological artefacts become 'actants' in change processes; they exercise *material-semiotic* influence. This is impossible; Marx scrupulously reserves consciousness for human beings; no artefact can have a will of its own. Bijker (1992) argues that science is produced in laboratories, not from social practice. Actor network theory is idealist and reactionary.

For Marx science is social knowledge production evolving as environment changes and changing relations with nature. Both natural and social science evolve in the same dialectical way (Engel's *Dialectics of Nature*). Social evaluation of technical advances includes discourse on what constitutes 'progress'—what problem, for who is solved in what way. Marx rejects the notion of a separate 'special' rationalistic, logical scientific method creating timeless and universal 'laws,' instead drawing attention to the social framing of gaps in knowledge and their social relevance. From this perspective, he comments on Darwinian biology, thermodynamics and soil chemistry. His dialectical view is that science seeks causal structures: the 'germ-cell' essence of issues alters and drives change. As with technology, Marx takes an ambivalent stance towards science, mentioning advances in military science as negative yet advances in steam and hydraulics as positives. Scientific activity he says is directed by social power. He would approve Flamm's (1988) study of decades of state investment in the USA creating the computer. He notes that large-scale industry (1845: 81) *made natural science subservient to capital and took from the division of labour the last semblance of its natural character*. Natural artefacts he says in *Grundrisse* (1973: 706) combine with technology into *organs of the human will over nature, or of human participation in nature*. Note his distinction between human consciousness agents and non-conscious artefacts (see ANT). As Sohn-Rethel (1978) makes clear, without human conceptualising and then labouring on natural artefacts, nature remains what it naturally is, not enhancing productivity. Technological *instruments of labour* Marx says in *Capital* (V-I:86) reflect the degree of social development humans have attained and human cooperation achieved.

Technology reveals the active relation of man to nature, the direct process of the production of his life, and thereby it also lays bare the process of the production of the social relations of his life, and of the mental conceptions that flow from those relations. V-I:493

In altering natural artefacts, humans alter their own behaviour and ways-of-working—a conclusion now readily apparent to every smart-phone and computer user (V-I:283).

Marx bemoans science and technology being harnessed for profit not social need. Pisano's (2006) *Science Business* makes the same point about pharmaceutical research: companies define *difficult to research* diseases as those where there is no profit to be made. Do scientific and technological advances persuade workers that they could control these processes? Sohn-Rethel (1978) suggests a resounding no, since often workers are estranged from the processes of scientific advancement and focused on short-term livelihoods.

Marx points out that early innovators face higher costs than imitators who benefit from the learning of first-movers (*Capital* V–III:103). He presages Abernathy and Utterback (1975): processes alter until a settled product emerges. Penrose's (1959) knowledge-based theory of the firm gave rise to Nelson and Winter's (1982) evolutionary growth theory of endogenous knowledge generating innovation (Dose et al. 1988) and Soete's (1988) idea of socio-technical paradigms. These perspectives have no class content, no drive for capitalism accumulation and no privileging EV over UV. Marx's points to falling costs from learning by doing or *blow by blow* he says (V-I:442), hence the importance of learning in his system that Vygotsky (1929) recognises.

Production technologies reshape not only the material nature of the external world but also the internal nature of conscious being. These configurations of internal nature can assume a degraded form whereby the worker, according to Marx in *Capital*, becomes stripped of a world of productive drives and inclinations and is transformed into the *automatic motor of a detailed operation* (V-1:481). Hochschild (1983) captures this in the idea of *emotional labour*: the fixed smile for the customer, the role played that becomes part of the person's actual life. Marx emphasises that between units of production competition is simply wasteful and cooperation (including planning) offers a more productive use of resources. Benton (1989) says Marx is Promethean, i.e. fixated on economic growth. Foster (2000) debunks this showing Marx's deep and lifelong concern for the natural environment and the metabolic rift including capitalist 'externalities' attacking sustainable nature.

17.4.3 Services as Commodities

For Marx commodities are both goods and services: it is the value-flow that defines the commodity not its tangibility. Normann (2002) says services are immediately consumed, their production and consumption are synchronised and once bought they cannot be stored or traded (think of a haircut, education, surgery, entertainment, tourism or a digital transaction). However, both Normann and Vargo and Lusch (2008) wrongly say that services are intangible (see Kaivo-Oja et al. 2023). Many services are intermediate to production (think of marketing or cost-accounting). Gershuny and Miles (1983) argue that services are intermediate, final user or non-market, i.e. public services.

Katouzian's (1970) distinguishes new or old services, this latter being in-service servants, a major group in Marx's day (Cox 2006). Sabolo's (1975) idea that new

services have a high-income elasticity of demand has some relevance when considering that the US market for nail beautification is worth US\$ 80 billion per year employing 500,000 nail technicians.

The circuit of productive capital is $M - C \{^{LP}_{MP}\}..P...C^I - M^I$ where P is commodity production, and LP the contribution of labour-power shows that commodity C^I has greater value than C because value has been added by labour, represented by the stage P , followed by the circuit of capital from commodity to money ($C^I - M^I$). From this value perspective, the service nature of the commodity makes no difference to the processes from being a physical product.

Marx looks to the germ-cell essence of activities. He views commodities as a value relationship: the relationship of the activity to the means of production and production of surplus-value (SV) for the capitalist. All non-profit activity he regards as non-productive, not a moral judgement, an economic assessment. This includes the UVs created by public services and households as Chap. 2 outlined.

Services Shostack (1977) argues, including public services, are always a continuum between tangible and intangible, never only intangible. The nurse comes with the injection, the teacher a computer, the mechanic a spanner.

The commodity is, first of all, an external object, a thing which through its qualities satisfies human needs of whatever kind (Capital, V-I:125).

The commodity form, and the value-relation of the products of labour within which it appears, have absolutely no connection with the physical nature of the commodity and the material relations arising out of this' (Capital V-I:165).

Public services are UVs that constitute public value (PV) as wealth that solves problems for citizens (TSV-V-I:640).

Productive Services

Public services UVs are non-productive of SV for the capitalist since staff is not employed by a capitalist extracting SV. In the UK, UVs may now create more value than commodity EVs, illustrating the possibility of expanding the non-profit sector. Referring to Sect. 2.7, we also note the critique of Baumol's (1967, 2012) argument that services are necessarily less productive than manufacturing (he ignores quality, new ways-of-working and the use of technology in service production). These neo-liberal arguments seek to justify tax cuts and reductions in public services and should be countered wherever possible.

Marx's views on science and technology have stood the test of time and compare favourably with less consistent and/or a-historical and a-social perspectives on science and technology.

17.5 Public–Private Science and Technology and Innovation

Marx refers to state involvement in science and technology; here we build up the concepts returning then to public services and Marx's views.

17.5.1 *Basic and Applied Research and University–Industry Links*

Basic research aims to *acquire new knowledge of the underlying foundation of phenomena and observable facts* (OECD 2023), only possible by researchers at the cutting edge of their field (Calvert 2006). Assessing economic benefit is difficult as Nelson and Winter (1982) and Verspagen (1993) point out. Rosenberg (2009) argues private companies would not conduct basic research without anticipated benefits, and Salter and Martin (2001) point to examples of basic research leading to new technological products. Pavitt (1992) and SPRU (1996) argue that without basic research universities would be unable to conduct developmental research. Applied research and especially the design 'D' in RD&D are closer to market.

NPM seeks to make universities more accountable (Lapsley and Miller 2024; Giroux 2006). Clark and York (2004) insists that universities' impact on economic welfare should be measurable, courses re-focused towards employability and student numbers expanded. Education is acknowledged as an instrument for modernisation (Liefner et al. 2008). Hobday (2000), Wong (1997) and Lall (2000) urge universities to assist companies in technology adaptation and localised product development. Companies can be more sceptical about the benefits of university–industry links (UILs), Bell and Pavitt (2003) suggested, though dedicated clustering of spinout companies introduces a 'pull' factor. Indeed, as Acworth (2008) says, 'thick' institutions are necessary for vibrant UILs, including financing and legal services (O'Shea et al. 2005; Howells 2006). Wright (2016) emphasise availability of risk capital and Lecuyer (2006) easy staff exchange between universities and companies.

Developing economies by definition lack institutional thickness, especially provision of skilled labour (Kim 2000), an oft-cited constraint on development as D'Costa's (2006) work in Bangalore found. Chen and Kenney (2005) ascribe differential levels of 'knowledge-based' economic development in Chinese regions to the presence of research universities as does Basant and Chandra (2007) in the case of Pune in India. It is clear as Wu and Jeng (2020) notes from studying research universities in Shanghai (Fudan and Jiaotong) that however good linkages with businesses, they are a necessary but insufficient condition for commercialisation; innovation also requires *thickness* in the wider institutional framework.

17.5.2 *The Triple Helix and University Commercialisation*

Etzkowitz's (1983) and Etzkowitz and De Mello (2003) triple helix (TH) explains university commercialisation of science highlighting state–university–business sub-systems delivering in three *spaces*: knowledge, innovation and consensus, technology transfer, international collaboration, collaborative leadership and import substitution. Todeva and Etzkowitz (2013) emphasise learning and knowledge development: TH as a *highly charged intellectual enterprise*. Arnkil (2010) now add users as the fourth leg; Lindberg et al. (2010) gender fifth; and Datta and Saad (2011) an international sixth leg.

TH is popular because of its simplicity, failure of linear technology transfer (Chang 2005; Saha 2004) and alignment with interdisciplinarity and open innovation. Most TH empirical studies are qualitative case studies without independent variables making causal connections difficult to pin down: Saenz (2008) and Bianco (2008) and Luna and Tirado (2008) in South America and Konde (2004), Kruss (2008) and Booyens (2011) in Africa often concluding that better institutions are needed; confirmation-bias abounds.

Mazzucato (2019) favours a stronger capitalism state acknowledging the state's role in scientific breakthroughs and high-risk long-term ventures that subsidise private companies, a view Fleming et al. (2019) support after studying patents. Only some public services benefit from formal RD&D with incremental innovations coming from user feedback and staff experimentation. We note that in private services, improved products increase sales and income, whereas in public services improvements increase usages and add costs.

17.5.3 *Marx's Views on the State and Science and Technology*

Sheeham (1985) asks us to consider an alternative history of science not the one featuring Mach, Carnap, Popper, Kuhn, Lakatos and Feyerabend and their rationalist, empiricist, positivist view of scientific development, reducing change to single causalities, but the alternative featuring Marx, Engels, Bukharin, Bernal, Haldane, Caudwell to Hollitscher. This latter dialectical view is founded on Marx and Engels' premise that just as nature evolves by pushing against previous artefacts and responding to environmental change, so too does human science, with the added advantage of memory and consciousness. This perspective rejects idealism (Ilyenkov 2020) grounding scientific advances in social practice as its driver and judge of relevance.

Engels (1886) highlighted the dialectical method he and Marx developed, always seeking the germ-cell driver of social structures and change, acknowledging an absence of equilibrium and interpenetration of multilevel and multi-layered factors and always historicising to ensure change is grounded in social processes.

Two notable Soviet scientists, Sozonov (chemistry) and Khvol'son (physics) in early 1918, worked with Bukharin as Commissar for Science, to plan the building of scientific institutes on the German model, 250 of which flourished until Stalin's dead hand and Lysenkoism destroyed the heritage. Such were the achievements in pedagogy (Vygotsky), environmental science (Vernadsky 1945), physics and chemistry and the history of science that the Soviet Union was able to send a delegation to the 1931 *Second International Congress of the History of Science and Technology* in London, which literally changed the face of science. Within weeks of the conference ending, under Bukharin's editorship (1925) the best-selling *Science at the Cross Roads* was published introducing the dialectical method into science, as Graham and Weiner (1995) says, *capturing the essence of modern science*.

17.6 Technology and Productivity

Chapter 15 of *Capital*, entitled *Machinery and Large-scale industry*, draws a parallel with Darwin's work on natural evolution, saying *technology reveals the active relationship of man to nature .. lays bare the process of the production of the social relations of his life, and of the mental conceptions that flow from those relations*. Dialectics is at the forefront: humans shape technology, technology shapes humans, both rooted in our material existence. Marx problematises technology which can subsume humans in alienating work processes that separate workers from the fruits of their labour and concentrate ownership of technology in the hands of the capitalist class. So pervasive are capitalist processes that they appear natural, as though they existed forever (V-1:515): capitalism fetishises technology, in some cases leading workers to press for investment and to welcome using the latest technologies. Whereas Rousseau and Locke had favoured returning to a 'natural state' unmediated by technology, a hippy ideal, Marx saw how controlled by the working-class, technology could create a world of abundance. Only by using tools and machines can the *free gifts of nature* be processed into useful goods and services, insisting that it is labour not capital that creates value; without people working and adding value there is only nature, no goods, no services. At every point Marx has an ambivalent view of technology: it aids productivity yet alienates, creates new products and processes yet destroys worker's lives; it has the potential to create abundance, yet results in crises and a falling rate of profit; technology massively improves productivity yet reshapes society in the service of capitalism. Technology is never neutral, never benign, always a two-sided coin, always dialectical.

Unlike bourgeois researchers on technology such as Beckman and von Poppe and closer to Ure, Marx saw a 'logic' in technological development, a logic of automation displacing labour only made visible by abstracting value from price, UV from EV.

Around 1910 Taylor promoted his scientific management technique: basically observing the skilled worker at work, codifying the activity and then either embedding the knowledge in an automated process or using the output figures to set higher

targets. Worker's knowledge is 'stolen' and embedded into machinery. Marx comments that the automated, de-skilled work could then be done by less expensive labour, at that time women and children.

Marx saw this logic without falling into determinism: the view that somehow technological change is inevitable when all change only occurs at the behest of people. Marx never strayed from emphasising the agency of people: either capitalists or workers. Planned and controlled for social benefit Marx saw technology as a *vital force* for solving social problems. He would be astonished that for example the US semiconductor industry, which employs 230,000 workers, has an annual output of US\$208 billion, almost US\$one million per worker (\$904,400), about 1.1-million labour hours of value added. He recognised that some technologies such as steam and railways (public services) spread their benefits across a wide range of other technologies—general-purpose technologies: the Internet and electricity being later examples.

Notice how Marx's system is an integrated whole. He moves easily from concrete technology and products to his abstract value perspective: UV, SV and socially necessary labour time: science presents holistic systems, interrelated variables. He easily comments on the productivity-enhancing role of technology and how it subjugates workers or shifts them as unemployed into an industrial reserve army of labour, to be called upon at will. The social, economic and technical dialectically feature in Marx's system. Notice also how the division of labour Marx analyses is at the same time sectoral, national and international, justifying his conclusion that workers internationally have a common interest against the international bourgeoisie.

17.7 Negative Impacts from Technology

Marx saw the potentiality in scientific and technological advances, such as the robotic surgery mentioned in Sect. 17.2. He also noted that private property ownership meant technology exploited in the interests of profit not meeting human need and at the cost of further alienation for workers employed.

While the term *Luddites* has come to mean opposition to progress or modernising machinery, the Luddite machine wrecking and violence in Yorkshire, England, in 1812 was far from purely negative. The Luddites faced the same issues Trade Unionists today seeking 'mutuality' around the pace and direction of technological change and the distribution of the benefits. Luddites rebelled not against change but imposed change to the benefit of the employers and disbenefit of workers. Marx saw this and while not referring to the Luddites by name mentions worker's opposition to uncontrolled technological change. See Thompson's (1967) moral economy, History Today, May (2012) and Hobsbawm (1952) and Hazan (2023) for similar activities by French textile workers in 1848.

17.7.1 *Alienation and Jobs*

Today we read scary stories (e.g. Ford 2009) about AI replacing 45% of jobs leading to mass technological unemployment. Alternatively, Oxford Economics (2021) paints a benign picture of rising employment from technological advances. More nuanced analyses (e.g. Brynjolfsson and McAfee 2011) suggest that advanced biotech, nanotech and AI technologies will eliminate *process* work but at the same time create new *products* and new jobs, including in the public sector.

For many workers, instead of making life easier, technological advances add burdens, e.g. 24-hour availability, undermining the power of labour to seek better conditions and reducing demand for labour (*Capital* Chapter 25), adding to IRA and de-skilling, becoming non-productive labour (public services, in Marx's day servants), reconstituting the working-class from skilled into machine-minders or constantly monitoring call centre staff suffering repetitive strain injury and stress.

Dumenil and Levy (1995, 1998, 2003) model the effects of technical change on jobs and the falling rate of profit finding the impact of technology on jobs and profits crucially depends on the strength of working-class organisations. Predictions by bourgeois economists—such as Keynes (1936) who's anticipated exponentially reduced working time and increased leisure—have been refuted. Marx's predictions of continuous crisis and automation in general terms have been supported by the facts, as Piva and Vivarelli (2017) suggest. Freeman (1987, 1992) correctly points out that in different historical periods, with market expansion and working-class strength being key variables, the impact of technology falls either on process costs (job reductions) or new product development in advanced technology sectors, with a tension between the two: process job cuts occur before new products.

17.7.2 *Alienation and Work Processes*

Braverman (1974) cites Marx's (1849) *Wage Labour and Capital*, in which *what the worker sells, and what the capitalist buys, is not an agreed amount of labour, but the power to labour over an agreed period of time*; from a general social division of labour, the capitalist dictates a specific technical composition of capital in labour processes. From this breaking down of labour processes automation becomes possible, using, Hill (2013) says, one of five process arrangements: jobbing shop/artisans, batch, repetitive, continuous and project. We find each of these in public services. For MacKenzie (1984: 487) this achieves *by technology means what in manufacture it attempted to achieve by social organisation alone* meaning process choice dictated organisation and control systems.

As Kamenka (1969) noted, for Marx alienation has three dimensions: alienation from the fruits of labour, from meaningful relationships and from nature. In *Capital*, Marx intertwines three critiques of capitalism: (a) the social and international division of labour, (b) a technical critique of alienating processes that hold back

productive forces and (c) the value critique of SV extraction and inevitable crises from TRPF. Real subjugation occurs from the crippled monster machino-facture. He agreed with Hegel that human labour should be central to human dignity (Rattansi 1982).

Harry Braverman was an active revolutionary socialist, editing the *Monthly Review*. *Labour and Monopoly Capital* (1974) explores the supposed dis-alienating 1930s neo-Human Relations work organisation (job rotation and *make special* with attention) finding that workplaces remained alienating, often because of de-skilling and automation. While Marxists such as Avineri (1968), Tucker (1961) and Mandel (1977) shifted emphasis away from the point of production, for Braverman this remained the dominant life experience of workers resulting in *real subjugation*. Updating Braverman's work, we see today (Seddon 2008) alienating service systems such as call centres, zooming all day, teach-to-exam, profile policing, bar work and restaurants. Braverman finds neo-Taylorism ubiquitous (automation and speed-up). While Landes' (1969) prediction that with mechanisation worker resentment grows, we now see Rosenberg's (1982: 15) tendency halted as suppressed wages make capital more expensive than labour confirming Sohn-Rethel's (1978) view that capitalism uses workers as an inanimate unthinking resource. As Baran and Sweezy predicted, capitalism has internationalised Tayloristic processes, confirmed in Nichols and Beynon's (1977) chemical plant study. Gallie (1978) even finds that workplace cultures obviate the need (and cost) of supervision: technologies record every second of activity. Wood (1989) points out alienation is difficult to measure quantitatively, especially so Friedman (1977) argues when the flexible company results in a new 'core' *aristocracy of labour* creating responsible autonomy—self-policing workers (Atkinson 2006). Friedman (1977: 6) says, *The Responsible Autonomy strategy attempts to harness the adaptability of labour power by giving workers leeway and by encouraging them to adapt to changing situation in a manner beneficial to the firm*. This often takes the form of team working in services or cellular manufacturing. Edwards (1979) found conflict over value distribution (workers paid at different rates) and Burawoy (1979) subtler forms of control other than de-skilling: play—manufactured consent.

Gershuny (1983) argued services are less alienating than manufacturing, a view disputed by the two-million call centre operators. Arguing that women have been 'smothered' by invention, Faulkner and Arnold (1985) says women occupy the spaces vacated by men, at the bottom of any pile: a view confirmed by Kirkup and Keller (1992) who show that skills packaged into job descriptors act to the disadvantage of women, with which Cockburn (1985) agrees. Guest (1989) who theorises a shift from conflictual personnel to human relations management is unconvincing on change in practice. Lean as an idea (Womack et al. (1990) now flourishes in services, including public services (George 2003) reducing autonomy in the workplace, such as the *batch and queue* Seddon (2008) found in hospitals. Only by trivialising Marx's notion of alienation could Blauner (1964) conclude that alienation is ended.

17.8 Capitalist Competition and Technology

The feudal Lord had choices whether to war for resources against neighbours; capitalists have less choice; competition drives technological innovation. Competition between companies forces employer to invest in newer more productive capital equipment; adding fresh SV to previously accumulated constant capital suffers from wear and tear, under-use in case of blockages and technological redundancy: all reduce the market value of constant capital. Increasingly in pharmaceuticals, software and biotechnology, Pisano (2006) says, large companies abandon in-house R&D and instead buy up close-to-market innovative small companies. Marx comments:

Invention becomes a branch of business, and the application of science to immediate production aims at determining the inventions at the same time as it solicits them. (Capital: V-III)

17.8.1 *Marx a Technological Determinist?*

Marx points to the dialectical interrelationship between social relations of production and social relations of reproduction, clearly indicating that technology is both socially shaped and in turn plays some role in shaping social relations. While the economic base of society for Marx (i.e. ownership of the means of production and class relations arising from capitalist ownership) influences all superstructural factors (culture, ideas), none of these factors, and certainly not science, is floating above society, disconnected from production relations. Arguments that somehow technology is disconnected from production relations, when it is integral to production relationships, show a profound misunderstanding of Marx. Marx's view of technology is wide and includes the training and education of human capital, financing, legal arrangements—all part of how reproduction relations and production relations interact (Coombs et al. 1992). Rosenberg (1976) is emphatic that Marx is no determinist and emphasises conscious human activity guiding and influencing science and technology not some force outside of social relations. As Winner (1977) notes, there is no autonomous technology; however, within big systems, logics evolve—for example, that reverse salients (least performing parts) will be subject to R&D and innovation.

As Thompson (1979) notes in critiquing Althusser's (2014) structuralism, diminishing working-class agency in Marx is to return to the second international determinism of Kautsky and Bernstein. Capitalist control over labour processes gives them a determinant control over technology deployment, subject to working-class resistance; otherwise technology automates the *same operations as the worker formerly did* (*Grundrisse*, V-III and XV). The capitalist too is constrained, for example by availability of trained workers Mowery (1984) found in Britain relative to the USA in the 1890s.

17.8.2 *Natural Capital and the Cost of Productivity*

It can be forgotten when considering Marx's value-flow that abstract value contains human labour, humans being part of nature, and that his concrete form of commodity always and essentially includes natural artefacts, the *free gifts of nature*. He points frequently to capitalist despoiling of nature as creating and widening a *metabolic rift* from sustainable nature (Foster 2000, 2022). Natural artefacts become UVs when worked on by humans, either remaining as UVs to meet needs (as in public services and household services) or being migrated by a capitalist into an EV for sale on the market and realisation of SV. Marx refers to natural capital in GI. UN figures suggest global GDP is \$63-trillion flow per year; natural capital stock is valued at \$50-trillion stock. Buller's (2022) question *How do you value a whale* suddenly becomes topical if nature is being priced. Pricing natural capital is ridiculous, even more so if humans use it to live or for pleasure, how is pleasure priced?

The UN, WB, IMF, OECD, WEF and EU all endorse the idea of natural capital and the sale of natural capital. This is how the UN proposes to raise development money for green transition, by selling our natural heritage.

Who are the buyers? Natural Capital Coalition www.naturalcapitalcoalition.org and Accounting for Sustainability www.accountingforsustainability.org—in short big capital, anticipating future value-flows from future exploitation of natural assets. Some deeply committed environmentalists, e.g. Helm (2015), Georgescu-Roegen (1986), Gómez-Baggethun et al. (2010), Sandor (2012), Juniper (2013), Laurent (2020), Helm (2015) and Shi-Ling Hsu (2021), support the idea of revenue from generated ecosystem services: paying visitors and paying anglers.

It is an appalling idea to privatise nature and charge for access. Foster (2020) criticises the idea saying accumulation is the problem, not the solution. Christophers (2018) refers to *new enclosures*, and Whyte (2020) in *Ecocide* urges to *kill the corporation before it kills us*. Natural capital only works by turning nature into a future-value income stream—for example, charging to visit or more destructively mining or deforestation. Longo et al. (2015) play on *tragedy of the commons* to say natural capital is a *tragedy of the commodity*. Buller (2022) reports that the IMF has valued whales at \$2 m each and \$1 trillion the whole stock; since they capture 1.7 tonnes of CO₂ they are worth \$13 per person on the planet. Already major financial institutions own bits of nature in other countries. Who owns your river, your forest, your city's roads? This is capitalism at its most anti-social and rapacious, providing cover for international institutions that are failing to protect the natural environment.

17.9 Science and Public Services

Whereas for capitalists the driver is accumulation of profit, in a neoliberal period of austerity, a key driver in the public sector is cost-downs. Incremental innovations, especially process costs, are assisted by technologies such as call centres, online

payments and bookings and by radical innovations such as robotics (surgery, traffic control, waste segregation), new pharmaceuticals and recently mass vaccinations. Long-term technology innovation projects in the public sector can be constrained by short-term financial pressures and short-termist politicians in electoral cycles. For example, digitalisation of files is an expensive and time-consuming project, one easily interrupted by politicians diverting spending to more populist causes. Yet, digitalisation is key to benefiting from big data analysis (Kuoppakangas et al. 2019) and AI (Koskimies and Kinder 2022), offering complementarities across payment, booking and information systems.

Evaluating success is important for all technologies; often in the capitalist sector, sales, costs and social acceptance are key criteria. Laitinen (2017) shows that even innovation processes involving services users in co-design then have wider democratic footprints to refer to and professional and ethical standards. Ethical standards are higher in the public sector because many clients are vulnerable (young, elderly, sick, abused, disabled, homeless), because greater media attention and the preponderance of professionals in the public sector (lawyers, accountants, social workers, teachers, doctors, nurses) are each accompanied by ethical codes of practice. Research on AI introduction in Finland (Koskimies and Kinder 2022) illustrates the importance of wider citizenry understanding *why* new technologies are being used and (to some degree) *how* they work. Public money always comes with accountabilities (Kinder 2000).

17.10 Marx on Learning and Innovation

Using imagination, learning, envisioning a better social and scientific future, this is Marx at his best, arguing how changing human consciousness is the key to radical social change.

A spider conducts operations that resemble those of a weaver, and a bee puts to shame many an architect in the construction of her cells. But what distinguishes the worst architect from the best of bees is this, that the architect raises his structure in imagination before he erects it in reality process, we get a result that already existed in the imagination of the labourer at the commencement. Capital V-I:198).

17.10.1 Marxist Social Learning

All new knowledge and innovation begin with and involve learning. The Marxist tradition richly investigates learning and consciousness change, a tradition headed by Lev Vygotsky, the famed Russian pedagogist, supported by Evald Ilyenkov. For Vygotsky (see Fig. 17.1) individuals learn from practice, curiosity, experimenting, testing all supported by cognitions that feature emotional attachments. New information or ideas or feelings or learning by doing are blended with previous

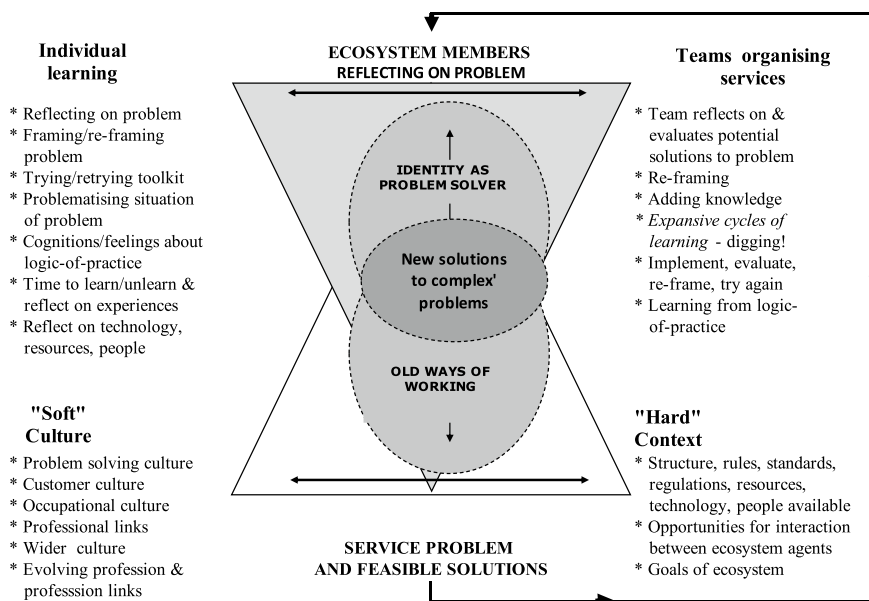


Fig. 17.1 Vygotsky social learning

knowledge in sense-making resulting in new ideas, always using natural language and referencing metaphors, frameworks and concepts taught in childhood: learning is always social.

To progress and test ideas (top-right) they are shared with the work team or friends, benefiting from critique and suggestions; learning is socially referenced, perhaps rejected and fundamental re-thought or polished and 'cleaned' as ideas joining up with other ideas to make new concepts (Blunden 2012). All new ideas arise from and relate to local culture (bottom left). The national culture, workplace or professional culture of scientific standards. Again the learning is social and expressed in terms understood in (say) the workplace or professional culture. Ideas are grounded in social reality: the cost, savings, implications, complementarities; bottom-right represents the practical environment into which the new idea might be born, its enablers and constraints. Turning to the middle of Fig. 17.1, Vygotsky envisages a zone of proximal development: we proximate, internalise ideas relating them to previous knowledge and practise closing the gap between what we do know and can know. Anything idealist, taken from thin air (ideas like market rules or efficiency or more from less), are dumped, reserving intellectual space only for ideas grounded in practice and their associated emotions. No rote learning of lists here, no abstract rationality, no rejection of emotional content, no fear of learning and new ideas. Vygotsky represents learning at its best: social, practical, without constraint; he saw this as a dialectical approach to learning. This is learning in the Marxist tradition.

US economist Kuznets (1966: 9) says, *The epochal innovation that distinguishes the modern economic epoch is the extended application of science to problems of economic production*. Another Solow (1987) identifies new knowledge, the result of learning, as the most important factor in technological change and growth—the Solow residual. Marx, whom these economists undoubtedly disapprove, says

The principle, carried out in the factory system, of analysing the process of production into its constituent phases, and of solving the problems thus proposed by the application of mechanics, of chemistry, and of the whole range of the natural sciences, becomes the determining principle everywhere. Capital V-I:504

The principle which it pursued, of resolving each process into its constituent movements, without any regard to their possible execution by the hand of man, created the new modern science of technology. Capital V-I: 532

Noting that machines produce machines (V-I:492). For Marx too, innovations are never the result of a great man/woman deducing solutions and instead are rooted socially, pushing against what exists to create something better. Marx saw that the scale of production would increase, and turnover times decrease as capitalism becomes more efficient and effective and companies centralised and concentrated in size.

Turnover time (see box) is important in the creation of public service UVs. The ambulance fleet turning around faster is an improved patient service and reduces the vehicles and crews needed. Similar narratives apply to housing repairs, any building or highway maintenance, all digital payments services and, as our introductory example of robotic surgery demonstrated, complex medical procedures. The principles of Japanese lean production revolve around first ensuring high quality and then squeezing times (like a lemon), eventually and dialectically creating quality and quantity.

Turnover Times

Chapters 7 to 9 in V-I note that speedier production processes, resulting from automation, reduce capital turnover time, adding additional value if (say) each year 10 cycles of production rather than 5 can complete (provide of course the products are sold and SV realised). Thus fast fashion can compete the traditional textiles by integrating the design-production-distribution cycle. Capital-3 uses the formula for annual rate of profit: $p' = s'n (v/C)$ where $s'n$ is SV time periods of turnover, v is variable capital (the cost of labour) and C constant capital employed (cost of machinery, interest, rent and profit). See Roberts (2020a, b), Kumar (2020) and Pickles and Smith (2016).

Whereas Piagetian and behavioural theory (including all bourgeois economics) theorise a world without emotions, emotions are central to Vygotsky's approach to learning, as he points out: *Thought is not born of other thoughts. Thought has its origins in the motivating sphere of consciousness, a sphere that includes our*

inclinations and needs, our interests and impulses, and our affect and emotions (1934/1986:282).

In a similar vein, Damasio (1994) criticises counter-posing emotion and reason and Brothers (1997) bemoans the idea of an *isolated mind*, bereft of cultural or contextual linkages: a physics-envy (Best 2018). Not all emotions are equal in a social learning activity system; some higher-order emotions, such as empathy, act as a generic lens through which learning occurs (Levykh 2008). Empathy is important in public services, which often feature Hochschild's (1983) *emotional labour*, in a positive sense of being relational rather than simply task-driven. Such self-investment in services, Steinberg and Figart (1999: 13) argue, presents opportunities for learning and innovation since emotional attachment can breed (Rosenberg 1976) a compulsive need to understand and improve—what Mayer (2003) terms *troublesome knowledge*. For example, the empathetic teacher connects with learners (Cooper 2000) and empathetic carers learn to meet unarticulated needs (Noddings 1986). Empathy then is a *general-purpose* emotion: a lens through which other emotions, incidents and experiences are mediated, learning stimulated (Cardon et al. 2009) creating novel solutions (Forgas and George 2001). Flows of innovative ideas rise with commitment and shared destiny (Csikszentmihaly 1991): Sennett's (2018) ideas of *doing the best job for the sake of it*. For Weick (1995) emotional content of learning in sense-making and enactment is why learning alters identities: how we see ourselves and expect others to see us.

17.10.2 *Learning and Knowledge and Public Services*

Consider the use of DNA and big data in international search for a COVID vaccine (Blohm 2021), or Jennifer Doudna's RNA using CRISPR (clustered regularly interspaced short palindromic repeats), which Isaacson (2021) analyses: major breakthroughs rapidly migrating from science into technologies used in public services. Of course there are caveats; for example, Scientist He Jiankui used CRISPR in 2018 to 'make' the twins Nana and Lulu contravening scientific ethics against manufacturing humans. Socially controlled and distributed as public services, learning and knowledge offer enormous benefits to humankind. Ultrasound scanning to detect Down Syndrome babies can be of benefit; however, when used in large scale for gender selection, it can result in the gender imbalances which Fincher (2014) suggests plague some Chinese cities.

In 1994, Gibbons et al. offered a detailed analysis of inter- and cross-disciplinary knowledge, which has now become fertile ground, the COVID vaccination being a prime example of biology, big data analytics and ICT and chemistry combining fruitfully. To cite an example from early research on technologically assisted independent living (then called smart homes), Kinder (2000) concluded that it was not the technology that was smart; the smartness was in the ambient supportive service networks that delivered tangible assistance when called to do so by technological alerts or alarms. Online, shared across care and medical services patient notes and

diagnoses are only of value if linked to responsive services, some of which may be technologically dated.

Knowledge management tools also can be outdated; especially when not updated they may be a vast repository of information, but they only become knowledge if relevant to current problems. Too often KM is a passive residue of good intentions. Dretske's epistemic seeing (1981: 44) says, *Roughly speaking, information is that commodity capable of yielding knowledge, and what information a signal carries is what we can learn from it.*

Gene editing of (for example) Huntington's disease and sickle cell anaemia appear strong candidates for progress. But what about a deaf couple wanting IVF using only a donor who is deaf? SLC24A5 is the gene colouring skin black, any takers? The point is that technology offers advances in public services but comes with ethical dilemmas, which cannot be left to scientists and certainly not to for-profit companies.

17.11 Technology and Social Relations of Production and Reproduction

The lesson of the Luddites and power-loom weavers (Hobsbawm 1952; Thompson 1967) is twofold. Firstly, that social relations in production and social relations in reproduction symbiotically and dialectically interrelate: change one and the other needs to alter. Secondly, that since working people's lives are affected by technological change decisions on the direction of technological change and how benefits are distributed cannot be left to unaccountable property owners, shareholders and stakeholders. Here we consider technology as offering freedom, its role in transitions (especially those reshaping the means of production) and technology in so-called smart cities and in developing societies. We find that Marx's ambivalent attitude towards technology is supported.

17.11.1 Socialism: A Transitional Stage

The law-of-value states that goods and services trade at the amount of labour hours expended on production; this applies overall in an economy, with particular commodity prices deviating from labour hours. Developing ideas from simple commodity production, Marx says the law-of-value is *the foundation of capitalist production* in which more labour is exchanged for less labour as the worker is exploited. So long as exchange uses markets and money mediation the law-of-value is operative. As markets become less for distribution, the power of the law-of-value wanes. Socialism is a transitional society in which *both* the law-of-value (markets) and non-market distribution of UVs occur. Preobrazhensky (1926) asks which value

system is trending to become dominant? Where planned distribution of UV becomes dominant then transition from socialism to communism is occurring. For a capital-poor economy such as the 1917 Soviet Union, this process was likely to take generations allowing *primitive socialist accumulation* to achieve sufficient capital to create the abundance of goods and services that non-market distribution requires. Just as the state withers away with abundance, so too the law-of-value ceases to apply. This distribution occurs in Marx's principle announced in the Gotha Programme Critique (1875), *from each according to ability, to each according to need*. What does this mean and how would it work in practice?

17.11.2 From Each According to Their Ability, to Each According to Need

Originating amongst the primitive communist early Christian communities (Walicki 1995: 91), later used by Blanc, Marx's slogan is discussed again in Chap. 20 in discussion around distribution of commodities by labour hours (from each according to their ability), now advocated by Chinese economists in their transition towards late-socialism (Cheng and Wang 2003). As expected from a utopian socialist, Blanc's (1849) interpretation of the slogan is unworkable. He proposes everyone receives the same wage, the miner and the shop assistant; meeting needs occurs when the majority supports the moral principle; he fails to comment on the necessity to produce sufficient (i.e. abundance). Having no labour theory of value, for Blanc labour is a contribution to the community without intrinsic value. Blanc believed that everyone could be persuaded by education to accept equal wages. For Marx abundance and UV distribution are economic achievements of socialism. Lenin (1918, 391–92) looked forward to reward according to labour as an enduring principle, *He who does not work, neither shall he eat*, which allows for different abilities. Lenin and Marx interpreted *according to need* to mean for example larger payments to families with children. The principle *according to need* is only achievable when the remnants of capitalism are buried and production is for use not profit; in the interim, it can only be worked towards it.

17.11.3 Technology Clustering, Smart Cities

For Sennett (2018) and Merrifield (2019) smart cities are cold, bland space, emptying of an evening, except for the exclusive elite living in multi-million apartments. They are a place of tax concessions aiming to attract mega-companies sacrificing the quality of life of the masses.

On the periphery of smart cities live the lumpen-proletariat, the high-rise banlieue whom Bakunin and Fanon see as the most oppressed and therefore having most

revolutionary agency. Brown's (2021) stories of the US Black Panthers illustrate the strength and influence organised peripheral group can achieve, announcing (2021: 127) *We are the left wing of the proletariat*. However, removed from the disciplines of working-class organisation, they can degenerate into criminality justifying Marx's view (*Class Wars in France*) that the lumpen-proletariat becomes thieves and opportunists, a reflection, Chevalier (1958) says, of the *lumpen-bourgeoisie*, Dostoyevsky's *underground man*.

Yet, Cheng et al. (2019: 331) says the third Plenary Session of the 18th Central Committee of the CPC envisages mega-clustering of smart cities around the Pearl River Delta, Yangtze River Delta, Beijing-Tianjin-Hebei area, Midwest and North-eastern regions and other belt and road economies. These are not cities peripheralizing a lumpen-proletariat; they are the engine rooms of the world economy, the most advanced centres for value production on Earth. The difference of course between Paris, Lyon, Milan, London and Berlin and these Chinese cities is that the former are planless market governed and the latter planned and governed by post-market arrangements. Shenzhen, for example, which directly links to Hong Kong and south-central Guangdong, divides into ten districts, each planned with leisure, shopping and green facilities. The traveller sees no rubbish, no homelessness; the Greater Bay Area, home to Tencent, ZTE and DJI, is surrounded by hills and trees with easy seaside access. Thus, displacing the market with planning is a transition over time not a policy event.

17.11.4 *Technology, Public Services in Developing Countries*

Planning is not apparent in many developing country cities, unless we cite the planned separation of the favelas housing a quarter of the population from some of the gated and guarded rich housing areas. In Cairo, the separation is absent; the city seems built to prove the statistic that 85% of global housing is built illegally. Unsurprisingly, much of this housing is found in the countries with most poverty: India, Nigeria, DRC, Ethiopia and Bangladesh.

The major opportunity for developing countries is *leap-frogging*: Gerschenkron's (1966) idea that later developers can avoid the R&D and implementation costs incurred by early-adopters of technology and transfer of the latest technologies. Chang (2005) suggests that this development ladder has now been pulled up by richer countries, who as Smith (2016) argues have instead constructed global value chains intent on keeping low-wage economies as low-waged sources of manufacturing and resource transfer.

Comparisons between China and India (Ogden 2017) reveal the problem. To 'throw-six' and enter the game, emergent economies now need basic public services infrastructure which they lack, is costly to install and comes with high spending before returns begin. Lemons ripen before plums! Consider e-commerce or digitised public services. These require digitalisation of basic records, rapid inter-bank payments and universally accepted credit cards.

Escobar (1995) convincingly argues that *development* is capitalist ideology and other routes to improving life quality are possible, including those less straining the *metabolic gap* in nature. These alternative routes require cooperation and some resource transfer from richer countries, which as recent UN COP agreements have shown are not delivered. Private capital is more interested in natural capital investments, taking private ownership of resource-laden areas in developing countries. De-growth theorists (Hickel; Isibara, Minqi) ignore the predatory nature of capitalist countries. Libya, Iraq and Syria each wish they had the means to protect their oil reserves from US plundering. Also, as peasant revolts in 1930s Russia illustrated, tax or expropriating peasant production for investment in industrial growth can be unpopular, unless consciousness levels are of a high order. Imperialist countries refuse to share advanced technologies as a means of protecting their dominance, even at the cost of constraining anti-poverty and levelling-up initiatives.

17.11.5 Science, Technology, Innovation and Improving Public Services

As Marx anticipated, the pace of scientific change and associated technological innovation are key drivers of change. This is the case for public services as well as private companies. Marx's ambiguity towards technological change is even more relevant to the public sector which serves a range of vulnerable people. Apart from basic and applied university research (Healy 2020), little R&D is affordable in the public sector, which is either confined to incremental innovation or accepts the lead of the private sector in JVs. Nevertheless, the gap between science and technology is closing, resulting in faster innovation cycles making new technologies available to public services, enhancing service productivity and bringing entirely new service models. Finnish AI examples include the Oulu Ring, robotic surgery and AI-enabled traffic controls.

In developed countries digitalised records and payment systems allow information-intensive processing of public services to migrate online, for example healthcare records, booking and payment systems, introducing speed and accuracy. Neoliberal NPM means employment in public services is falling and likely to further reduce, unless, as Jansson (2013) argues, taxes rise paying for the expanded health, education and care services demography requires. The public sector, unlike parts of the private sector, heavily invests in training, raising (especially ICT) skill levels. For Mazzucato (2015) this heralds the entrepreneurial state, able (for example in healthcare) to operate with business models based on both vertical and horizontal information flows (Kinder and Burgoyne 2013), quickening patient journeys, enabling triage at point-of-contact, rapid evaluation of new pharmaceuticals and technology such as robotics.

The driver for technology deployment too in developing countries should also be problem-solving, obviously varying with context and culture. Many initiatives can

be made using mature and low-cost technologies (such as two-way online joined-up government sites, call centres and information kiosks). Take Thailand, tourism services online might be a priority, while for neighbouring Laos, market prices for agricultural products and their associated logistics will perhaps be a greater priority. Countries with low population density (Saudi Arabia, Sudan) may give greater priority to e-learning technology, while in Ireland where a third of the population stay in Dublin e-commerce and tourism are priorities. Where foreign companies are contracted, knowledge spillovers may help future indigenous projects. Export-oriented sectors (India's IT) differ in priorities from (say) Australia's cattle industry, where feed sourcing and target market identification are priorities. For China, innovation is defined in relation to demand in advanced capitalist countries; for Egypt, products orientate to the MENA market.

Technological advances, including public services, are essential to achieve abundance in developing countries, most easily obtained from associative friendly states. Bettelheim (1975) draws attention to the need of balancing current consumption and investment at a national level and the tensions that may arise with local consumption and investment plans. In the 1920s Soviet Union, Preobrazhensky's *primitive socialist accumulation* was a response to national capital shortage, despite food price inflation. The high growth after 1949 achieved in China was enabled by peasants accepting depressed prices, allowing savings and investment. From the 1980s onwards, China benefited from technology transfer. Bettelheim emphasises that the law-of-value operates in a transitional society and only gradually withers away as surplus production is achieved.

The public sector may be in a better position to retrain, upskill and redeploy employees than the private sector (depending on size and financial position) avoiding the alienating impact of technology that Marx feared. On the other hand, barriers to innovation may be greater with perhaps greater sensitivity to social (electorate) acceptance and open accountability for investments and value-for-money considerations. In some instances Trade Unions call for speedier introduction of advanced technologies in other countries Unions resist, perhaps not the technology *per se* but the accompanying organisational restructuring. Some technologies are scale sensitive (databases and some payment systems calling for an inter-organisational innovation footprint, which may be less available in some circumstances, Kinder and Stenvall 2021 argued networked London as opposed to Finland's flexible ecosystems).

Nevertheless, despite all these issues, technological advances hold the prospect of improved service access and perhaps quality at lower cost and therefore should be attractive to public service agencies.

17.12 Conclusions

From each according to their ability, to each according to their need conceals how technologies change needs and abilities to produce. Marx's is an ambiguous attitude towards technology and innovation, recognising its potential benefits if harnessed meeting social needs, but also its potential alienating effects in work processes and harmful effect when deployed for profit and efficient military.

Public service technological advances (pharmaceuticals, surgery, traffic management, technologically assisted independent living) can dramatically increase the quantity and quality of UVs and PV available to citizens; these advances require state involvement—market activity is insufficient for radical innovations. Guided by democratic planning, technological advances delimit the for-profit activity available to private property owners, limits that neoliberalism and NPM seek to reverse. Marx's resolute commitment to democracy reached into workplaces, communities and national/regional planning.

For Marxists, part of the interaction between social relations of production and reproduction included public services mediating state activity and technology mediated by the balance of capitalist/working-class power. We note how public services innovations are often incremental (re-designs by staff and users), often more radical in PPP ventures with companies, which have larger RD&D budgets. Many radical advances in technology are the result of significant public investment in basic research and university commercialisations: the computer, biotech, DNA and AI are examples. In developing countries services can leap-frog delivery models, especially using digital ICTs, hence the importance of learning and knowledge creation as a central dialectic in Marx's system.

Marx's response to the use of science and technology in the public sector is that of a revolutionary socialist: he wants to harness technology to the benefit of people rather than profit while concerned at capitalist social shaping of technology in ways harmful to citizens, nature and consumers.

References

- Acworth E (2008) University–industry engagement: the formation of the Knowledge Integration Community (KIC) model at the Cambridge-MIT Institute. *Res Policy* 37(8):1241–1254
- Althusser L (2014) *On the reproduction of capitalism: ideology and ideological state apparatuses*. Verso, London
- Arnkil R (2010) Exploring quadruple helix outlining user-oriented innovation models. Työraportteja 85/2010 Working Papers
- Atkinson AB (2006) Concentration among the rich, WIDER Research Paper, No. 2006/151, ISBN 9291909351=978-92-9190-935-3, The UN University World Institute for Development Economics Research (UNU-WIDER), Helsinki
- Avineri S (1968) *The social and political thought of Karl Marx*. CUP, Cambridge
- Badaracco JL (1985) *Loading the dice – a five-country study of vinyl chloride regulation*. Harvard Business School Press, Boston

- Banet-Weiser S, Castells M (2017) Economy is culture. In: Castells M et al (eds) *Another economy is possible: culture and economy in a time of crisis*. Polity, Cambridge. Chapter 1
- Basant R, Chandra P (2007) Role of educational and R&D institutions in city clusters: an exploratory study of Bangalore and Pune Regions in India. *World Dev* 35(6):1037–1055
- Baumol W (1967) Macroeconomics of unbalanced growth: the anatomy of urban crisis. *American Economic Review*, June
- Baumol W (2012) *The cost disease*. Yale University Press, New Haven
- Bedford D, Workman T (2024) *Marx, Engels and the Philosophy of Science*. Routledge, London
- Bell D, Pavitt K (2003) *The process of innovation*. SPRU, Brighton
- Bernal JB 1934 (2008) *Engels and Science*. Monthly Review Pamphlets, MR, New York
- Benton T (1989) Marxism and natural limits. *New Left Rev* 178:82
- Best MH (2018) *How growth really happens – the making of economic miracles through production, governance and skills*. Princeton University Press, New Jersey
- Bhaskar R (1993) *Dialectic: the pulse of freedom*. Verso, London
- Bhaskar R (2010) *Reclaiming reality: a critical introduction to contemporary philosophy*. Routledge, London
- Bettelheim C (1975) *Economic calculation and forms of property*. Monthly Review Press, New York. <https://archive.org/details/economiccalculat00char/page/62/mode/2up>
- Bianco D et al (2008) Is Mercosur promoting trade? Insights from Argentinean wine exports. *Span J Agric Res* 15(1):e0108–e0108
- Bijker WE (1992) Do not despair: there is life after constructivism. *Sci Technol Hum Values* 18(1):113–138
- Bijker, Law, Canon Farias (2015) in Blok et al (eds) *The Routledge Companion to Actor Network Theory*, Routledge, London
- Blanc A (1849) *The Catechism of Socialists*, Au bureau du Nouveau Monde, Paris
- Blauner R (1964) *Alienation and Freedom: The factory worker and his industry*. University of Chicago Press, Chicago, IL
- Blohm CE (2021) *The search for a covid-19 vaccine*, Reference Point Press, CA
- Blunden A (2012) *Concepts – a critical approach*. Haymarket Books, Chicago, IL
- Booyens I (2011) Are small, medium-and micro-sized enterprises engines of innovation? The reality in South Africa. *Sci Public Policy* 38(1):67–78
- Braverman H (1974) *Labour and monopoly capital*. Monthly Review Press, New York
- Brothers L (1997) *Friday's footprint: how society shapes the human mind*. Oxford University Press on Demand
- Brown G (2021) *Seven ways to change the world*. Simon and Schuster, London
- Brynjolfsson E, McAfee A (2011) *Race against the machine: how the digital revolution is accelerating innovation, driving productivity, and irreversibly transforming employment and the economy*. Digital Frontier Press, Lexington, MA
- Bukharin N (ed) (1931/1971) *Science at the cross-roads. Papers Presented to the International Congress of the History of Science and Technology, 1931, By the Delegates of the U.S.S.R.*, Cass, London
- Buller A (2022) *The value of a whale – on the illusions of green capitalism*. Manchester University Press, Manchester
- Burawoy M (1979) *Manufacturing consent*. University of Chicago Press, Chicago, IL
- Calvert J (2006) Collaboration as a research method? Navigating social scientific involvement in synthetic biology. In: *Early engagement and new technologies: opening up the laboratory*. Springer Netherlands, Dordrecht, pp 175–194
- Cardon MS et al (2009) The nature and experience of entrepreneurial passion. *Acad Manag Rev* 34(3):511–532
- Carr C (2020) *Global oligopoly – a key idea for business and society*. Routledge, London
- Cauldwell C (1948) *Illusion and reality*. International Publishers, New York
- Chalmers AF (1994) *What is this thing called Science?* Open University Press, Milton Keynes

- Chang H-J (2005) Kicking away the ladder: development strategy in historical perspective. Anthem Press, London
- Chen M, Kenney JS (2005) IEEE transactions on microwave theory and techniques. 53(1):115–122
- Cheng E, Wang G, Zhu K (2019) The creation of value by living labour – a normative and empirical study, vol 1. Canut, Berlin
- Cheng E, Wang G (2003) Comments on current exploitation theory and reality. In: Research on Mao Zedong and Deng Xiaoping's Theory, vol 6, pp 118–122
- Chevalier L (1958) Classes laborieuses et classes dangereuses à Paris, pendant la première moitié du XIXe siècle. Plon, Paris
- Christophers B (2018) The new enclosure – the appropriation of public land in neoliberal Britain. Verso, London
- Clark B, York R (2004) Rifts and shifts: getting to the roots of environmental crises. Mon Rev 60(6):13–24
- Cockburn C (1985) Machinery of dominance: women, men and technical know-how. Pluto Press, London
- Coombs R, Savioiti P, Walsh V (eds) (1992) Technical change and company strategies: economic and sociological perspectives. Academic Press, London
- Cooper RG (2000) Product innovation and technology strategy. Research Technology Management 43(1):38–41
- Cox R (2006) The servant problem. Bloomsbury, London
- Csikszentmihalyi M (1991) Flow: the psychology of optimal experience. Harper Collins, New York
- Damasio AR (1994) Descartes error: emotion relationality and the human brain. Polity, NY
- Datta S, Saad M (2011) Innovation in a developing country context: developing an integrated framework through India's experience. In: Theory and practice of the triple helix model in developing countries. Routledge, pp 207–229
- D'Costa A (2006) Exports, university-industry linkages and innovation challenges in Bangalore, India. Paper presented at the World Bank Policy
- Dewey J (1925) Experience and nature. Open Court, Chicago
- Dewey J (1929) The quest for certainty: a study of the relations of knowledge and action. Minton, Balch & Company, New York
- Dewey J (1939) Freedom and culture. Greenwood Press, New York
- Dosi G, Freeman C, Nelson R, Silverberg G, Soete L (1988) Technical change and economic theory. Pinter, New York
- Duménil G, Lévy D (1995) A stochastic model of technical change: an application to the US economy (1869–1989). Metroeconomica 46(3):213–245
- Duménil G, Lévy D (1998) Old theories and new capitalism: the actuality of a Marxist economics. In: Critical Companion to Contemporary Marxism. Brill, pp 95–119
- Duménil G, Lévy D (2003) Technology and distribution: historical trajectories à la Marx. J Econ Behav Org 52(2):201–233. [https://doi.org/10.1016/S0167-2681\(03\)00022-](https://doi.org/10.1016/S0167-2681(03)00022-)
- Edwards R, 1979 Contested terrain, Heinemann, London, pg. 16
- Engels F (1886) Ludwig Feuerbach and the End of Classical German Philosophy, available from (accessed 121223) <https://www.marxists.org/archive/marx/works/1886/ludwig-feuerbach/index.htm>
- Escobar A (1995) Encountering development – the making and unmaking of the third world. Princeton University Press, Princeton, NJ
- Etzkowitz H, De Mello J (2003) The rise of a triple helix culture. Int J Technol Manag Sustain Dev 2:3
- Etzkowitz H (1983) Entrepreneurial scientists and entrepreneurial universities in American academic science. Minerva 21(2):198–233
- Faulkner W, Arnold E (eds) (1985) Smothered by invention: technology in women's lives. Pluto, London
- Feyerabend P (1975) Against method. Verso, London
- Fincher LH (2014) Leftover women: the resurgence of gender inequality in China, zed books, Hong Kong

- Flamm K (1988) *Creating the computer*. The Brookings Institution, Washington, DC
- Fleming L, Green H, Li G, Marx M, Yao D (2019) Government-funded research increasingly fuels innovation. *Science* 364(6446):1139–1141. <https://doi.org/10.1126/science.aaw2373>
- Ford M (2016) *The rise of the robots – technology and the threat of mass unemployment*. One World, London
- Ford MR (2009) *The lights in the tunnel: automation, accelerating technology and the economy of the future*. Acculant Publishing, New York
- Forgas JP, George JM (2001) Affective influences on judgments and behavior in organizations: an information processing perspective. *Organ Behav Hum Decis Process* 86(1):3–34
- Foster JB, Burkett P (2018) Value isn't everything. *Mon Rev*, November, 1–37
- Foster JB (2000) *Marx's ecology – materialism and nature*. Monthly Review Press, New York
- Foster JB (2020) *The return of nature: socialism and ecology*. Monthly Review Press, New York
- Foster JB (2022) Nature as a mode of accumulation – capitalism and the financialisation of the earth. *Mon Rev* 73(10):1–24
- Foster JB, Clark B, York R (2008) *Critique of intelligent design*. Monthly Review Press, New York
- Foucault M (1972) *The archeology of knowledge*. Basic Books, New York
- Fransman M (1986) *Technology and economic development*. Wheatsheaf Books, Sussex
- Freeman C, Perez C (1988) Structural crises of adjustment, business cycles and investment behaviour. In: Dossi G et al (eds) *Technical change and economic theory*. Pinter, London, pp 39–62
- Freeman C (1982) *The economics of innovation*. Elgar, London
- Freeman C (1987) The case for technological determinism. In Finnegan R, Salaman G, Thompson K (eds) *Information technology: Social Issues: A Reader* Hodder & Stoughton Sevenoaks, UK, 5–18
- Freeman C (1992) *The economics of hope*. Pinter, London
- Friedman AL (1977) *Industry and labour*. Macmillan, London
- Gallie D (1978) *In search of the new working class*. CUP, London
- George ML (2003) *Lean six sigma for service*. McGraw-Hill, New York
- Georgescu-Roegen N (1986) The entropy law and the economic process in retrospect. *East Econ J* 21(1):8–9
- Gerschenkron A (1966) *Economic backwardness in historical perspective*. Harvard University Press, MA
- Gershuny J, Miles I (1983) *The new services economy: the transformation of employment in industrial societies*. Pinter, London
- Gershuny J (1983) *Social innovation and the division of labour*. OUP, London
- Gibbons M, Limoges C, Nowotny H, Schwartzman SP, Trow M (1994) *The new production of knowledge*. Sage, London
- Giroux HA (2006) Higher education under siege: implications for public intellectuals. *The NEA Higher Education Journal*. Thought & Action; Special Focus – The Academy at Work, pp 63–78
- Graham JD, Weiner JB (eds) (1995) *Risk versus risk: trade-offs in protecting health and the environment*. Harvard University Press, Cambridge, MA
- Guest D (1989) Personnel and HRM: can you tell the difference? in *Personnel Management*, January
- Hacking I (2000) How inevitable are the results of successful science? *Philos Sci* 67(S3):S58–S71
- Hardt M, Negri A (2009) *Common wealth*. Harvard University Press, Cambridge, MA
- Healy M (2020) *Marx and digital machines: alienation, technology, capitalism*. University of Westminster Press, London
- Helm D (2015) *Natural capital – valuing the planet*. Yale University Press, New Haven
- Hickman LA (1992) *John Dewey's pragmatic technology*. Indiana University Press, Indianapolis
- Hill D (ed) (2013) *Immiseration capitalism and education: austerity, resistance and resistance and revolt*. Institute For Education Studies, London
- Hobday M (2000) The project-based organisation: an ideal form for managing complex products and systems? *Res Policy* 29(7):871–893
- Hobsbawm EJ (1952) *The Machine Breakers in (1968) Labouring Men: Studies in the History of Labour*

- Hochschild AR (1983) *The Managed Heart – commercialisation of human feeling*. University of California Press, Berkeley, CA
- Howells J (2006) Outsourcing for innovation: systems of innovation and the role of knowledge intermediaries. In: *Knowledge intensive business services: organizational forms and national institutions*. Edward Elgar, Cheltenham, pp 61–81
- Hsu S-L (2021) *Capitalism and the environment*. CUP, Cambridge
- Ilyenkov EV (2020) *Intelligent materialism – essays on hegel and dialectics*. Haymarket, Chicago, IL
- Isaacson W (2021) *The code breaker*. Simon & Schuster, New York
- Jansson JO (2013) *The economics of services – micro-foundations, development and policy*. Edward Elgar, Cheltenham
- Juniper T (2013) *What has nature ever done for us? How money really does grow on trees*. Profile Books, London
- Kaivo-Oja J, Kinder T, Stenvall J (2023) Key trends of tangible and intangible products in public sector production in some OECD countries: intangibility and the obfuscation of public service productivity. *J Eco Cul*, forthcoming
- Kamenka E (1969) *Marxism and ethics*. Palgrave-Macmillan, New York
- Kinder T, Stenvall J (2021) Public value and public services in the post-virus economy. *Public Sector Econ* 45(3):329–361. <https://doi.org/10.3326/pse.45.3.x>
- Katouzian MA (1970) *The development of the service sector: a new approach*. Oxford Economic Papers, New Series 22(3):362–382
- Keynes JM (1936) *General theory*. CUP, Cambridge
- Kim D (2000) Developing an instrument to measure 21st century skills for elementary student. *Korean J Educ Methodol Stud* 25:2
- Kinder T, Burgoyne T (2013) Lean and learning in healthcare services. *Financ Account Manag* 29(3):271–290
- Kinder T (2000) A sociotechnical approach to the innovation of a network technology in the public sector – the introduction of smart homes in West Lothian. *Eur J Innov Manag* 3(2):72–90
- Kirkup G, Keller LS (1992) *Inventing women – science, technology and gender*. Polity Press, London
- Konde (2004)
- Koskimies E, Kinder T (2022) Mutuality in AI-enabled new local public service solutions. *Public Manag Rev*. <https://doi.org/10.1080/14719037.2022.2078501>
- Kruss G (2008) Balancing old and new organisational forms: changing dynamics of government, industry and university interaction in South Africa. *Tech Anal Strat Manag* 20(6):667–682
- Kuhn TS (1962) *The structure of scientific revolutions*. Princeton University Press, Princeton
- Kumar A (2020) *Monopsony capitalism – power and production in the twilight of the sweatshop age*. CUP, Cambridge
- Kuoppakangas P, Kinder T, Stenvall J, Laitinen I, Ruuskanen O-P, Rannisto P-H (2019) Examining the core dilemmas hindering big data-related transformations in public-sector organisations. *J Public Admin Police*, XII 2:131–156
- Kuznets S (1966) *Modern economic growth*. New Haven
- Laclau E, Mouffe C (1985) *Hegemony and socialist strategy: towards a radical democratic politics*. Verso, London
- Laitinen I, Stenvall J, Kinder T (2017) Co-design and action learning in local public services. *J Adult Contin Educ*, 1–26, August
- Lakatos I (1978) Science and pseudoscience. *Philos Pap* 1:1–7
- Lall S (2000) Skills, competitiveness and policy in developing countries. *QEH Documento de trabajo* 46
- Landes D (1969) *The unbound prometheus*. CUP, Cambridge
- Lapsley I, Miller P (2024) The emergence and resilience of new. In: *The resilience of new public management*. OUP, Oxford

- Laurent E (2020) *The new environmental economics: sustainability and justice*. Polity Press, Cambridge
- Lécuyer C (2006) *Making Silicon Valley: innovation and the growth of high tech, 1930–1970*. MIT Press
- Lenin VI (1918) *State and revolution*, V-XXX Collected Works. Progress, Moscow
- Levykh MG (2008) The affective establishment and maintenance of Vygotsky's zone of proximal development. *Educ Theory* 58(1):83–101
- Li J (2020) Marxist labour theory of value and china's distribution system. *Vista of Theory* 4:14–16
- Liefner I et al (2008) Cooperation patterns of high-tech companies in Shanghai and Beijing: accessing external knowledge sources for innovation processes. *Erdkunde* 62:245–258
- Lindberg M et al (2010) The role of NGOs in supporting women's entrepreneurship: a study of a Quadruple Helix project in the Baltic sea region, Quadruple Helix
- Little D (1986) *The Scientific Marx*. University of Minnesota Press, Minnesota
- Longo SB, Clausen R, Clark B (2015) *The tragedy of the commodity*. Rutgers University Press, New Jersey
- Löwith K (1982) *Max Weber and Karl Marx*. Macmillan, London
- Luna M, Tirado R (2008) Business associations and their contribution to knowledge networks in Mexico. *Int J Technol Manag Sustain Dev* 7(3):251–264
- MacKenzie D (1984) Marx and the machine. *Technol Cult* 25(3):473–502
- Maksakovsky P (2005) *The capitalist cycle*. Brill Academic Publishers, The Hague
- Malm A (2016) *Fossil capital: the rise of steam power and the roots of global warming*. Verso, London
- Mandel E (1977) *From class society to communism*. Ink Links, London
- Mayer RE (2003) The promise of multimedia learning: using the same instructional design methods across different media. *Learn Instr* 13(2):125–139
- Mazzucato M (2015) *The entrepreneurial state: debunking public vs. private sector myths*. Anthem Press, London
- Mazzucato M (2019) *The value of everything – making and taking in the global economy*. Allen Lane, London
- McKaughan DJ (2008) From ugly duckling to swan: CS Peirce, abduction, and the pursuit of scientific theories. *Transactions of the Charles S. Peirce Society: A Quarterly Journal in American Philosophy* 44(3):446–468
- Merrifield A (2019) Marx on technology. *Monthly Review*, May
- Megill K (1967) Peirce and Marx. *Transactions of the Charles S. Peirce Society*, 55–65
- Mowery DC (1984) Firm structure, government policy, and the organization of industrial research: Great Britain and the United States, 1900–1950. *Bus Hist Rev* 58(4):504–531
- Needham J (1986/1943) *Time – the refreshing river*. Allen and Unwin, Nottingham
- Nelson RR, Winter SG (1982) *An evolutionary theory of economic change*. Harvard University Press, London
- Nichols T, Beynon H (1977) *Living with capitalism: class relations and the modern factory*. Routledge & Kegan Paul, London
- Noddings N (1986) *Caring: a feminine approach to ethics and moral education*. University of California Press, Berkeley
- Normann R (2002) *Service management*. John Wiley & Sons, New York
- North DC (1990) *Institutions, institutional change and economic performance*. CUP, Cambridge
- OECD (2023) 9B Sheet. Balance sheets for non-financial assets. NS13: General government. Database. Paris
- Ogden C (2017) *China and India*. Basic Books, New York
- O'Shea RP et al (2005) Entrepreneurial orientation, technology transfer and spinoff performance of US universities. *Res Policy* 34(7):994–1009
- Pavitt K (1992) Internationalisation of technological innovation. *Sci Public Policy* 19(2):119–123
- Peirce CSS (1866/2009) *Writings of Charles S. Peirce: Volume 8, 1890–1892: a chronological edition*. Indiana University Press

- Peirce CS (1998) *The essential writings*, (Ed EC Moore). Prometheus Books, Amherst, NY
- Penrose E (1959) *The Theory of the Growth of the Firm*. OUP, Oxford
- Pickles J, Smith A (2016) *Articulations of capital: global production networks and regional transformations*. Wiley, London
- Pisano GP (2006) *Science business: The promise, the reality, and the future of biotech*. Harvard Business Press, MA
- Piva M, Vivarelli M (2017) Technological change and employment: were Ricardo and Marx Right? Discussion Paper Series, IZA, Institute of Labour Economics
- Postpone M (2003) *Time, labour, and social domination*. CUP, Cambridge
- Preobrazhensky E 1926 (1965) *The new economics*, 2nd edn. Clarendon Press, Oxford
- Rattansi A (1982) *Marx and the division of labour*. Macmillan, London
- Roberts M (2020a) *Fredrich Engels – his contribution to political economy*. Lulu.com, London
- Roberts M (2020b) *Marx 2000 – his contribution to political economy*. Lulu.com, London
- Rosenberg N (1982) *Inside the black box - technology and economics*. Cambridge University Press, New York
- Rosenberg N (ed) (2009) *Studies on science and the innovation process: selected works by Nathan Rosenberg*. World Scientific
- Rosenberg N (1976) *Inside the black box – technology and economics*. Cambridge University Press, New York
- Sabolo MY (1975) *The service industries*. International Labour Organisation, Geneva
- Saenz OA (2008) Defining enterprise systems engineering. *Int J Ind Syst Eng* 4(5):483–501
- Saha M (2004) Impact of social capital on small firm performance in West Bengal. *J Entrep* 24(2):91–114
- Salter AJ, Martin BR (2001) The economic benefits of publicly funded basic research: a critical review. *Res Policy* 30(3):509–532
- Sandor RL (2012) *Good derivatives – a story of financial and environmental innovation*. Wiley, London
- Schumpeter JA (1934) *The theory of economic development: an enquiry into profits, capital, credit*
- Seddon J (2008) *Systems thinking in the public sector*. Triarchy Press, Axminster
- Sennett R (2018) *Building and dwelling – ethics for the city*. Allen Lane, London
- Sheeham H (1985) *Marxism and the philosophy of science – a critical history*. Verso, London
- Shostack G (1977) Breaking free from product marketing. *J Mark* 41(2):73–80
- Smith J (2016) Imperialism in the twenty-first century – globalisation, super-exploitation and capitalism's final crisis. Monthly Review Press, New York
- Solow RM (1987) We'd better watch out. *New York Times Book Review*, July 12, p 36
- Soete L (1988) *Technical change and economic theory*. Pinter, London, pp 330–348
- Sohn-Rethel A (1978) *Intellectual and manual labor: a critique of epistemology*. Macmillan Press, Basingstoke
- Steinberg RJ, Figart DM (1999) Emotional labour since the managed heart. *Ann Am Acad Pol Soc Sci* 561(1):8–26
- Tanuro D (2010) Marxism, energy, and ecolog: the moment of truth. *Capital Nat Social* 21:4
- Thompson EP (1967) *The making of the english working class*. Pelican, Harmondsworth
- Thompson M (1979) *Rubbish theory – the creation and destruction of value*. Pluto Press, London
- Timpanaro S (1980) *On materialism*. Verso, London
- Todeva E, Etzkowitz H (2013 Oct) The Triple Helix as a highly charged intellectual enterprise. *Helice-THA Newsletter* 2(3):8–12
- Tucker R (1961) *Philosophy and Myth in Karl Marx*. Cambridge University Press, Cambridge
- Urry J (2016) *What is the future?* Wiley, London
- Vargo SL, Lusch RF (2008) Service-dominant logic: continuing the evolution. *J Acad Mark Sci* 36(1):1–10. <https://doi.org/10.1007/s11747-007-0069-6>
- Vernadsky VI (1945) The Biosphere and the Noosphere. *Sci Am* 33(1):1–12
- Verspagen B (1993) Estimating international technology spillovers using technology flow matrices. *Rev World Econ* Jun 133:226–248

- Vygotsky LS (1929) The problem of the cultural development of the child. *J Genet Psychol Child Behav Anim Behav Comp Psychol* XXXVI:1 (September) 28
- Vygotsky LS (1934, 2008) The collected works of LS Vygotsky, Vol 5 1998, 187–205. CUP, Cambridge
- Wajcman J (2022) Automation: is it really different this time? In: Butollo F, Nuss S (eds) *Marx and the Robots*, Chapter 1. Pluto Books, London
- Weber M (1978) *Economy and society: an outline of interpretive sociology* (vol 2) *Service worlds: people, organisations, technologies*. Routledge, London
- Weick KE (1995) *Sensemaking in organizations*. Sage, Thousand Oaks, CA
- Wendling AE (2003) *Karl Marx on technology and alienation*. Palgrave Macmillan, London
- White (1962) *Medieval technology and social change*. OUP, Oxford
- Whyte D (2020) *Ecocide – Kill the corporation before it kills us*. Manchester University Press, Manchester
- Winner L (1977) *Autonomous technology, technics-out-of-control as a theme in political thought*. MIT Press, Cambridge, MA
- Womack J, Jones D, Roos D (1990) *The machine that changed the world*. Macmillan, New York
- Wood EM (1991) *The pristine culture of capitalism: a historical essay on old regimes and modern states*. Verso, London
- Wood EM (1995) *Democracy against capitalism – renewing historical materialism*. Verso, London
- Wood EM (1999) *The origin of capitalism – a longer view*. Monthly Review Press, New York
- Wood EM (2012) *Liberty and property – a social history of Western political thought from Renaissance to Enlightenment*. Verso, London
- Wood S (ed) (1989) *The transformation of work*. Unwin Hyman, London
- Wright I (2016) The social architecture of capitalism. Available at (accessed 090324) <https://sites.google.com/site/sites/system/errors/WebpageNotFound?path=%2Fianwrightoxford%2F>
- Wu X, Jeng DJ (2020) Disruptive innovation and entrepreneurship in emerging economics. *J Eng Technol Manag* 58. <https://doi.org/10.1016/j.jengtecman.2020.101601>
- Yeoman R (2019) *Ethics, meaning and mutuality*. Routledge, London

Chapter 18

Transitioning to Socialism and Public Services



Abstract The chapter considers how public services can be both ends and means in transitioning towards socialism beginning with collective services for childcare, elder care, cleaning, food and laundry and then = pay and opportunities: ends and means—in short, increasing UV production and PV. Already Kinder and Stenvall (2021) show UVs may be greater than EVs in the UK, posing the question what value is added by capitalism? Democracy is central to transition to socialism which requires majority support and cannot be the result of a putsch or minority vanguard party: without conscious rejection of capitalism by the majority socialism cannot succeed; democracy here means in workplaces, communities, using technology to building national plans and democratic choices: socialism is a fact of consciousness, freely chosen. Ideally, a new international division of labour will fast-forward achieving abundance with associated leisure time opportunities for self-discovery and social contribution, abolishing class and without violent counter-revolution organised by Capital. Examples from China, Cuba, Laos, North Korea and Vietnam illustrate transition and its challenges, noting different routes to socialism and differing priorities arising from heritage, context and culture: there are no recipes; however, there are important lessons from the Soviet failure to democratise and impose party rule.

18.1 Introduction

Chapter 5 overviewed transitions from feudalism and from capitalism to socialism, the role of public services in transitions, usefulness of Marx's concepts for understanding the nature of public services and relevance of new frameworks. This chapter explores in detail how public services feature in transition from capitalism to socialism, with Chaps. 19 and 20 discussing democratic and planning processes, abundance and the significant role of public services in socialist transition process and as goals of those processes.

Moore (1963) identifies three alternative general strategies for transition from capitalism to socialism; these structure the core of this chapter.

- (a) Support from a majority of the population in an industrialised economy with a large proletariat within liberal-democratic or ‘thick’ civic institutions.
- (b) Support from a majority of the population in an industrialised economy, based on a working-class alliance with other classes (such as petty bourgeoisie and agricultural workers) in ‘thick’ civic institutions—the Social Democrat perspective.
- (c) Minority-led social change in a pre-industry economy, characterised by under-developed, ‘thin’ civic institutions and a small proletariat: a two-phase revolutionary change, leap-frogging over a bourgeois parliamentary phase.

A central argument in this chapter is that public services are not only part of the *goal* of transitioning to socialism (founded on public ownership of the means of production and democratic planning). Public services also feature prominently in the *processes* by which the goal is achieved.

Beginning by elucidating important concepts such as what is a revolution, revolutionary situation and a transition, we then give an overview of the importance of public services to processes of transition and its resultant new mode of production. Other debates reviewed are the relevance of reform or revolution, the law-of-value during transition, the impact of transition on the metabolic rift and social equity. Given the historic importance, we review lessons from debates around socialism in one country (SIOC) and Marx’s ideas of an alliance of friendly states. The three sections based on Moore’s categories then follow: (a) transition based on majority consent in an industrially advanced liberal democracy; (b) transition in a liberal democracy led by a Social Democratic strategy and (c) transition in a pre-industrial society based on a vanguard party, with conclusions and theoretical and practical lessons.

Although the following have at times claimed the status of socialist state, they did not take ownership of the means of production and/or were short-lived: Algeria, Albania, Angola, Benin, Burma, Chad, Congo, Djibouti, Equatorial Guinea, Egypt, Eritrea, Ethiopia, Ghana, Grenada, Guinea, Guinea-Bissau, Guyana, Iraq, Libya, Mali, Madagascar, Mauritania, Mozambique, Mongolia, Nepal, Nicaragua, Senegal, Seychelles, Sierra Leone, Sri Lanka, Somalia, Sudan, Syria, Tanzania, Tunisia, Tuva, Zambia. Where appropriate the experience of these states is drawn on. I also exclude from referencing as socialist states the Eastern European Soviet satellite states, formed by top-down Soviet-imposed decision *at the point of a bayonet*: Albania, Belarus, Bulgaria, Czechoslovakia, East Germany, Estonia, Hungary, Latvia, Lithuania, Moldova, Poland, Romania, Hungary, Ukraine and Yugoslavia.

18.1.1 *Socialist States*

This and the following chapter give examples of transition from five current states claiming to be socialist: China, Cuba, Laos, North Korea and Vietnam. Selection is based also on the objective criteria of having taken control and/or ownership of the means of production. As we discuss below, being a worker's state may not equate with being socialist. Reference is also made to the Soviet Union and lessons learned.

Note that for simplicity discussion here follows the scenarios in Figs. 5.3, 5.4, i.e. three phases of transition: early (primary phase) socialism, late-socialism and communist abundance. These are simplified analytical categories since dialectically in practice social, political and economic activities and events interpenetrate, co-exist and in non-linear fashion reverse with effect becoming cause.

18.2 Transitioning Concepts

18.2.1 *Public Services and Transition*

Chapter 6 argued that state provision of welfare and public services is a battlefield for use-values (UVs) forming public value (PV) (paid for from the social surplus instead of adding to private capitalist accumulation). The results are gains in areas such as health, education and care services of practical benefit for citizens as service users. Struggles to secure public services add to working-class consciousness, self-belief, agitational capabilities and self-confidence in democratic planning and organisation. It is in this sense public services can be both part of the process leading to a radical change in ownership and/or control of the means of production, and when achieved, additionally public services are likely to be part of the 'early-wins' demonstrating the difference that a socialist transition makes, with the collective social wage prominent in long-term socialist policy. Collectively working for each other in providing and securing public services reframes working activity away from the individual salary and consumption to social wages and collective consumption: working for society not oneself, becoming a social producer rather than alienated labourer.

18.2.2 *Revolutionary situation to transition from*

Famously Marx (Capital V-1: 17) refused *recipes for the cookshops of the future*, accepting that socialist transitions will vary with country heritage, context and culture, including the degree to which socialist change is violently opposed.

State Power and Dictatorship of the Proletariat

Following the Paris Commune (1871, *Class Struggles in France*) Marx realised that seizing and then disrupting state power is the first step in socialist transition. The veil denying democratic access to privately owned businesses is torn down. Thus, control of the social superstructure begins socialist transition, to be followed by a programme diminishing private property, including taking ownership or control of major companies and bringing them into democratic planning, control of the economic sub-structure. This entails not only workplace planning (already emergent in many team-based, flat-hierarchy companies) but also wider community and national planning processes, for which planning public services or worker's control as industrial action has been a school-room. Using the power of controlling the state, in early to late socialism, entirely new democratic civic structures will be created, 'smashing' the old state structures and processes. Note immediately, transition is not a top-down coup done to passive citizens. Active citizenship is required in the new democratic forums, replacing the *democratic swindle* pretending that periodic voting constitutes democracy. Marx's (1871) analysis of the Commune criticises Proudhon's top-down approach, insisting on self-activity and emancipation.

A major planning challenge for early-stage socialism is arms conversion. Presuming alliances with friendly states (a big presumption) the standing army and arms industry are superfluous. Like all industrial restructuring state support for retraining and redeployment of workers is a precondition for their support. Your author worked with trade unions at a Scottish military dockyard on arms conversion, swords to ploughshares being an exciting and achievable goal for highly skilled workers. In Scotland this has only been partially successful, since state support was lacking. As an exercise in democratic planning however, arms industry Unions demonstrate the ability of workers to plan for social need (see Elsner 2001 for example).

Marx contrasts the dictatorship of the bourgeoisie with dictatorship of the proletariat. Transitioning from a liberal democracy—to cite Draper's (1987) formula—the dictatorship of the proletariat is *legal, temporary and limited*. It is not a military dictatorship since it is established by the mass movement of the working-class. Nor is it single-party rule since the working-class will be represented by various parties. It is a *democratic republic* in which free press, speech and assembly far from being restrained will be encouraged. Violence is unnecessary in this scenario and will only occur if capitalists attack a democratically elected Government. This sadly has occurred in the past, Patrice Lumumba (Zeiling 2008; Panaf Books 2009) and Salvador Allende (1939) being examples. Transition is the beginning of an inherently democratic process.

A Revolutionary Situation

Post-capitalist transitions begin with a revolutionary situation: the circumstances inherited by the socialist party, its leadership and a working-class wanting radical change. These are likely to be associated with falling profit rates and economic crisis. What constitutes a revolutionary situation? In 1931, Trotsky gave the following outline, adding that a revolutionary party leads the working-class movement.

- That the proletariat must lose any confidence not only in the conservatives and liberals, but also in any reformist Party. It must concentrate its will and its courage for transformative aims and methods.
- That the middle class must lose its confidence in the big bourgeoisie, in the lords, and turn their eyes to the socialists.
- That the rich classes, the ruling cliques, rejected by the masses, lose confidence in themselves and ability to remain rulers.

Each revolutionary situation differs in historical heritage and has unique characteristics. In 1917 and 1949 the small size of the working-class and need for an alliance with the peasants and their organisations were important. Russia faced 21 foreign armies of intervention and a civil war; the Chinese CPC still faced the remnants of the defeated KMT in the mainland and uncertainty as to US intentions (a trade boycott rather than military intervention ensued, nuclear war was threatened). Castro after 1959 faced multiple US incursions and a trade boycott; however, he quickly gained the support of a large middle class. When the Pathet Lao army entered Vientiane in 1975, Kaysone Phomvihane led a party almost totally of peasants with an economy devastated by a decade of US carpet bombing. Kim II Sung's CP faced huge US forces over a difficult-to-defend border, uncertain as to their intentions but having shown their ability to militarily rebuff invasion.

Some readers may be surprised to hear of the prominent role of Leon Trotsky in the Russian Revolution. As elected President of the Petrograd Soviet in 1905 and 1917, he organised the revolution with Lenin, becoming Lenin's second-in-command (they shared rooms in the Kremlin). Trotsky was appointed People's Commissar for Foreign Affairs, published the secret treaties between the imperialist powers and negotiated the Brest-Litovsk peace that withdrew armies of intervention, saving the Soviet Union from collapse. Appointed Commissar for War, he founded and led the Red Army organising conscription, training and discipline, even persuading ex-Tsarist Officers to join the socialist cause. Its dual structure (military and political) ensured commitment and military discipline overcoming the white forces of reaction. Given the small size of the working-class, the Red Army later played a critical role in Soviets. In November 2020, the Red Army was victorious. Serving on the five-person Politburo he led the forces suppressing the Kroonstad rebellion and then took responsibility for organising War Communism including labour deployment, supporting Lenin's New Economic Policy reintroduction of some markets. In his dying days, Lenin warned Trotsky of Stalin's bureaucratic tendencies, urging his removal as General Secretary. Having lost the strategic fight within the Party, Trotsky was expelled by Stalin, exiled and murdered in 1941.

Dictatorship in each of these cases entailed taking state power, ‘official’ control of the military, police and bureaucracy, and yet an uncertain ability to bring the means of production under state control or working-class ownership. Perhaps only in China did the CPC hold real economic power across the country and economy, i.e. the ability to migrate state power into ownership of the means of production, establishing a worker’s state. The year 1917 was a political and cultural revolution, whereas 1949 was closer to also being economic and social, the long march having established worker-peasant power across China. In all instances in some spatial areas bottom-up dictatorship was occurring as workers and peasants took ownership of land and factories. When Lenin announced the nationalisation of all land in Russia few paid attention; Mao Zedong’s declaration in Tiananmen Square resonated throughout China, China had *stood up*!

After 1859 (*Preface*) Marx recognised that socialist transition may not (only) occur in advanced industrial state as capitalism entered crisis, but also where an Asiatic Mode of Production (AMP) featured central ownership of land, with micro level democratic activity by peasants in their communities. Chapters 2 and 3 discussed the AMP. From his studies, Marx concluded that Russia might prove the weak link in the capitalist international chain. A route to power of a minority working-class allied with peasants was articulated in Lenin’s (1904) *What is to be Done* and Mao Zedong’s (1955) *Critique of Soviet Economics* each strategising that a two-stage transition (feudal/early capitalism to early/late-socialism) was possible. China is now in a new era of socialism with Chinese characteristics with President Xi’s five-in-one targets and processes around modern state governance, party leadership, becoming a leading country, reducing inequality, common prosperity and protected national integrity. For Lenin, success depended on internationalising, saying *At all events under all conceivable circumstances, if the German revolution does not come, we are doomed*. As Mao (1961) and Liu Shaoqi (1987) record, for China the challenge was using sufficient investment capital from the peasantry for rapid industrialisation.

18.2.3 Reform and Revolution

Sections 5.3.1 and 13.3.4 discussed reformism. Here we consider lessons from Marx and Engels’ criticisms as they impact on transition. They disputed with Lassalle who argued in the 1860s that a progressive (Prussian in this case) modernising state delivered the better life workers struggled for. Note that two sets of exploiters contested power in Prussia: Junker landowners and the industrial capitalists. As Draper (V-4) pointed out, Lassalle favoured an anti-liberal coalition comprising the Kaiser, Junkers, army and his Worker’s Association against the liberals. He argued workers were being under-paid what they produced, and the coalition would improve wages, pointing to supposed “iron-laws” of population and wages. Arguing that no revolution was required, Lassalle favoured producer cooperatives, funded by state loans. Cooperatives could support collective state services,

especially allowing women to work (for lower wages than men). For Lassalle, the agent of social change was not the working-class; it was the state, requiring no self-emancipating consciousness or revolution by the working-class. Of course, Lassalle's plan came to nothing, including the collaborationist secret meetings he had with Government leader von Bismarck. By 1875, the Lassalle group sought an alliance with the Socialist Labour Party (forerunner of the SDP), which Marx advised against. His 1875 *Critique of the Gotha Programme* of the SDP largely targeted Lassalle's ideas: no amount of state 'reforms' can substitute for working-class power to control the means of production and end exploitation.

Lassalle's Malthusian wages fund held that total population is regulated by an iron law of wages: if population fell, wages rose supporting expansion of population. Also, a minimum-maximum amount of wages is available, meaning that working-class militancy made no difference to wages levels. Marx had destroyed Malthus' theory pointing to technological improvements and the wages fund argument pointing out how technology can improve value created and social factors change the minimum reproduction wage.

As the German SDP grew closer to power, widening its electorate, the debate sharpened within its leadership (Kautsky, Bernstein, Luxemburg on *Reform or Revolution*). Was the Party's programme carefully building a majority as Bernstein (1901) argued or was Luxemburg's (1901/2003) criticism that it was mini-max valid: promising a socialist maximum while practising a reformist minimum? Older members (Wilhelm Liebknecht and Babel) claimed the destination was the same socialism, the reformist route slower. Luxemburg rejected this claiming the reformist programme targeted an altogether different destination by leaving capitalists owning the means of production. Later commentators (Przeworski and Limongi 1993) argued the reform/revolution distinction was outmoded, presaging today's third-way theorists (Giddens 1984) that governance delivering goals is what matters: control makes ownership irrelevant. Kautsky points out that capitalists too required modernised, better educated and healthier workforces, allowing the SDP to make a wide electoral appeal. Luxemburg and Karl Liebknecht responded that all parties give reforms under pressure (Bismarck's pensions are an example); the danger was the working-class having illusions that the SDP would deliver a fundamental change in the mode of production, a post-capitalism, dictatorship of the proletariat: becoming reformist as opposed to a Party that delivers reforms. Lenin's vanguard party was inappropriate to the German situation of a mass reformist party in which workers held illusions, operating in a bourgeois democracy. Luxemburg insisted that transition required the active participation of the majority of workers. Citing Marx's (1875, previously unpublished) *Critique of the Gotha Programme* and Engel's (1891) *Critique of the Erfurt Programme* the SDP 'left' demanded using state power to begin smashing the state, erecting new democratic structures and engaging the mass of workers in self-activity planning, Engel's *revolution in*

permanence. Bernstein's riposte was that capitalism was dying and the SDP should await the funeral. Formally, the Party remained committed to revolution, Kautsky's early support for Luxemburg being critical, yet within a decade, he and the Party's Reichstag representatives voted for war, setting German workers in uniform killing their French, Russian and British brothers.

What Is a Revolution?

A revolution is a rapid change in the class ruling society; unlike Hegel who emphasises irresistible social forces, Marx stresses human agency. Bourgeois and socialist revolutions alter ownership of the means of production and control of the state. Draper (1971) distinguishes reforms that occur *within* bourgeois rule and control of the means of production from revolution that alters the political superstructure creating entirely new governance structures and processes. Discussion below on Social Democracy as a change strategy returns to these arguments. For now we can point with Przeworski (1985) to Sweden where public ownership is small, yet many would argue collective services make it close to socialism.

18.2.4 Law-of-Value and Transition

As the transition journey to socialism begins, how are goods and services distributed? Before communist abundance is achieved (the result of increased productivity from releasing the full potential of technology and altered social relations), *from each according to need* is unachievable since capitalist scarcity is the transitional state's inheritance. Thus, the law-of-value continues to operate in transitional societies so long as (a) class divisions exist, (b) capitalists can expropriate part of the value only labour can create and (c) total prices equal total exchange-value produced in an economy. One result of extending public services adding women to the workforce may be to increase the pool of SV available from companies that are foreign owned (or partly in some state capitalist enterprises and companies left in the ownership of capitalists although directed in their activities by a planning authority).

A socialist government will rapidly remove market dominance, the *Manifesto* says (MECW-6:504), replacing market resource allocation, production decisions and distribution by democratic planning. Hayek (1945, 1962) and von Mises (1960) wrongly argue this introduces inefficiency. Price signalling can be replaced by rational planning, in today's world enabled and assisted by AI-supported planning, of the type Beer (1979) and Cotterell and Cockshott (2018) detail as already used by large companies. Instead of profit maximisation, the goal of planning will be meeting socially decided needs.

As the strength of the law-of-value wanes, as Marx (V-3:168) urges, citizens are active in social planning processes—alienation from the product of labour declines.

The lessons workers have gained as elected representatives (V-22:617) and in wider community planning processes begin building a culture of working for each other, replacing capitalism's individualising culture. This takes time and progresses most rapidly, as Engels says (MECW-23:255 and 27: 266), *provided* capitalists choose not to take military action against the newly born socialist state. Marx makes the same point writing to Kugelmann in 1871 (MECW-44:132).

Democratic planning mitigates the law-of-value. This can only occur, Engels says in *Socialism Utopian and Scientific* (MECW:V-24), in a democratic republic using processes quite different than sham bourgeois democracy (passive voting each four or five years); a speech by Marx to the first International (WMEW:V-27:191) makes it clear. Differences include citizens ruling rather than choosing who will rule and legislatures acting with executive authority. Citing Nordic governance, Kane (2023) emphasised the independent voice of labour in these processes exercised by strong Trade Unions. Note how erosion of the law-of-value is less likely in the 1917 scenario, where a muted voice of labour contributed to a scissor crisis (inflation), leading to the NEP's backward step. Preobrazhensky (1926) also justified continued presence of multinational companies, without which Russia had insufficient foreign currency from export to pay for (technological-advanced) imports. In China's case, Carchedi and Roberts (2023) additionally point to continuation of unequal trade agreements and currency seigniorage dictated by international capitalist institutions. As Preobrazhensky said, *From this standpoint the law of primitive socialist accumulation is the law of overcoming our socialist backwardness*. The law-of-value is sub- not superstructural and cannot be abolished by political will. For Preobrazhensky, this meant primitive socialist accumulation and for Liu Shaoqi (1984), after the 1959 Lushan Conference, using cooperatives and taxes on peasant production to build capital stock. For China, the high savings ratio means that after opening up in 1978, as Cheng (2019: 274) points out, some foreign companies were using Chinese capital. Thus, the law-of-value continues to exercise constraints during a transition period.

18.2.5 Socialist Policies During Transition

Transitional government will want to demonstrate progressive policies on the natural environment and may be able to do so in conjunction with allied socialist states. However, isolated states, like Cuba, may rely on ideas from citizens in areas such as waste disposal and natural medicines. Isolated states at a low level of industrialisation will be pressured to exploit natural resources: transition alters intentions and processes and cannot wish away material constraints.

Similarly with inequality, transitional socialist government is likely to demonstrate its agenda with tax measures on very high incomes and wealth and major company profits and minimum wage. It may be these are hypothecated (again demonstrating political intent) towards the cost of child and healthcare. Demonstration models and roll-out plans for collectivised laundry, cooking and cleaning may also

be early ‘wins’ making it easier for women to work outside the household. Gender and race equality may feature early in change programmes, with associated public service initiatives on recruitment and promotion. Discussing wealth and income inequalities, Wright (2016) argues that these symptoms of inequality are a necessary result of power being exercised in the capitalist system by those possessing exploitative capital able to accumulate SV. Progressive fiscal policies while welcome are insufficient to eradicate capitalist inequality, ended only when private ownership of capital is ended.

18.2.6 Alliance of Friendly States and SIOC

International relations play a critical part in the ability of a new transitional socialist state to get down to the business of building socialism. Armed intervention, destabilisation or trade boycott by imperialists reduces the social surplus and diverts social funds into wasteful military expenditure. Tsang and Cheung (2024) note the systematic policy of the USA to inhibit China’s transition using trade, market, military and diplomatic sanctions. Alternatively, joining an alliance of friendly states (if they exist) may support public service development by technology and staff transfers, lines of credit and mutually beneficial divisions of labour. Intervention may be life-threatening to a small state, or for a large economy, such as China’s circular economy, simply slow progress.

Russia’s 1917 isolation and armies of intervention were life-threatening, yet beginnings were made early on collectivised childcare, healthcare, laundry, cleaning and education. As revolutions failed in Europe (Germany 1919, 1923, Finland 1918, Hungary 1918–20), despite a great deal of working-class solidarity (Warwick 2024) being a magnificent resource about UK worker solidarity with the Soviets). Lenin and Trotsky were convinced that without an alliance of nations the Russian revolution would eventually fail, why? The alliance with peasants required early demonstrations of benefits from transition (tractors, fertilisers, seeds), necessary to increase food production requiring foreign help. Negotiations with MNCs (on worker’s democracy, ownership, investment) suffered. Also, Brest-Litovsk (Chernev 2019) and the Versailles Treaty sequestrated Russian land, including the much-needed Donetsk coal reserves. Despite the 1931 science conference success, Russia was excluded from networks developing new products.

Socialism-in-One-Country (SIOC)

1917 Russia was a pre-industrial state, depleted by a costly war, facing civil war and foreign interventions and seeking to leap-frog a bourgeois-democratic phase and enter socialist transition. There was no economic revolution in 1917, only transfer

of political power. Answering the question, will it be possible for revolution to take place in one country alone, Engels (1847) replied with an emphatic no, arguing that socialised production brought states *into such close relation with one another that none is independent of what happens to the others; working men have no country*. Although revolutionary takeover is located with a state polity the movement is necessarily international. Immediately after the 1917 victory, Lenin (V-27:235) argued in a speech to the Seventh Party Congress (*Immediate Tasks of the Soviet Government*):

Regarded from the world-historical point of view, there would doubtlessly be no hope of the ultimate victory of our revolution if it were to remain alone, if there were no revolutionary movements in other countries [...] I repeat, our salvation from all these difficulties is an all-Europe revolution [...] At all events, under all conceivable circumstances, if the German revolution does not come, we are doomed.

This was the urgency of forming the Third International, supporting the formation of Communist Parties across the world. In Russia, a left opposition proposed Preobrazhensky's primitive socialist accumulation and extensive democratisation. By 1926 they had lost out to Bukharin and Stalin's enforced collectivisation and SIOC: Bukharin (1925a, b) *Can We Build Socialism in One Country in the Absence of the Victory of the West-European Proletariat* and Stalin's (1926) *On the Issues of Leninism*. The Comintern became an agent of Soviet international policy not of internationalism exemplified by the disastrous popular front policy in China (1927), Spain (1936) and German (before 1933). As Mao Zedong (1943) asked why, it *did it not devote all its efforts to the emancipation of the working class of the whole world and to the war against fascism?*

North Korea (DPRK) relied on oil and fertiliser imports from a friendly socialist state (the Soviet Union) until the latter disintegrated. Subsequently, DPRK crashed leading to major shortages of rice production. While 60% industrialised, its products struggled on international markets to get the foreign currency to buy oil and fertiliser, made more difficult by the US-led trade boycott. Reliance on an association of friendly socialist states has proved to be problematic for DPRK.

What an alternative route might have achieved remains one of history's what-ifs. Once fascism began its march, the Soviet Union faced existential threat, but instead of a united front the Communist International adopted the 'third period' social fascist approach to non-CP organisations. Fascism triumphed in Italy, Mussolini; Germany, Hitler's Nazis; Spain, Franco; Portugal, Salazar's *Estado Novo*; Hungary, the Szálasi; and Poland, *Obóz Narodowo-Radykalny*. ONR and Tito's Japan cost 20-million Russian and 25-million Chinese lives.

18.3 Marx and Majority

Of Moore's (1963) three options to secure transition to socialism, Marx preferred (a) creating a majority support; however, he also showed support for (b) social democracy and (c) vanguard party (though writing little about it). Marx was a revolutionary, interested in exploring routes to power. Let's look first at his views on building majority support and its impact on public services.

Marx forcefully argued that transition to socialism requires majority support. It cannot be the result of a coup, putsch or elite capture of power because transition involves the self-activity, the self-emancipation of the working-class majority. Marx returns to this argument across all his writings, contradicting how some socialists and bourgeois commentators portray him. For Marx democratisation is of society, including workplaces and communities in addition to political process. Exploitative private property cannot be allowed to continue being unaccountable. Marxist democracy thus inserts a socialist agenda into new, broader democratic structures as close citations illustrate.

- In 1842, Marx denounced all press censorship.
- His 1845 (3rd) *Theses on Feuerbach* accepted the circumstances for building a mass socialist party that vary from country to country and therefore require deep democratic debate.
- In the 1845 German Ideology, Marx and Engels reject the Jacobin tradition (Rousseau's General Will) of top-down coups by self-appointed elites as the *old thesis*.
- Engels' *Principles of Communism* (drafts for CM), speaking of Prussian 1848, insists *no lasting victory is possible unless they first win the great mass of the people, that is, in this case, the peasants* will be reaction and need for violence.
- Marx's 1850 address to League of Communists called for using democratic institutions to persuade the majority to support socialism; he wrote articles in *Neue Rheinische Zeitung* denouncing the idea of socialist by elite coup.
- Marx's 1864 Rules of First International denounce coups and socialist parties substituting themselves for the working-class majority: *the emancipation of the working classes must be conquered by the working classes themselves*.
- Marx's *Civil War in France* applauded universal suffrage and rule by democracy in the Paris Commune of 1871 speaking of *people acting for itself by itself* and noted multiple parties seeking support in arguments and election of public officials.
- In the 1874 *Programme of the Blanquist Communard Refugees*, Engels rejected coups, contrasting a majority dictatorship of the proletariat with Blanqui's revolutionary dictatorship in which an elite held power until the masses were sufficiently educated.
- Marx's 1872 Speech to Hague Congress of the First International called for revolution by peaceful means in advanced countries: *we must recognise that in most continental countries the lever of revolution will have to be force*, he said, referring to mainland Europe.

- Marx's 1875 *Critique of Gotha Programme* criticises the absence of democratic dictatorship of the proletariat as the temporary transition into socialism and towards communism.

Criticism of socialist government is acceptable to Marx, including freedom of expression and assembly and judicial independence—all repressed by *liberal* governments in France and Prussian after the 1848 revolutions (Rapport 2008). If such criticisms are validated, *so much worse for the state*, he says. Denying democratic engagement, Marx argues, turns Parliaments and voting into a mere *democratic swindle*. Kautsky (the SDP leader, who met Marx (Kautsky YouTube), who corresponded with and met Engels frequently), in his (1902) *Social Revolution*, argues forcefully that Marx was a majoritarian, arguments supported by Bernstein (1971) and Kane (2023) who point to his lifelong dispute with Blanqui, who favoured a coup and then educating the masses. One of Marx's criticisms of Proudhon's response to the 1871 Paris Commune (*Class Struggles in France*) was of Proudhon's failure to accept bottom-up democracy, having little faith in the sensibleness of informed proletarians. For example, Marx would not be surprised by the demand of working women for 'early gains' from transition including childcare, schools, collectivised cooking and cleaning.

The majority is achieved by agitational and propaganda activities persuading people of the correctness of the social case, requiring a Party organisation, campaigning, persuading and educating. In a liberal democracy socialists can appeal for votes and legislature representatives, whereas illiberal regimes make assessing a majority support more complex. Of course, judging a majority even in a liberal democracy is likely to be contentious; socialists cannot expect even-handed treatment from bourgeois media.

Marx often contrasts the dictatorship of the bourgeoisie (based on top-down ownership of the means of production and control of the state) with dictatorship of the proletariat, which Draper (1987) notes is legal, temporary and limited; and based on majority support. Only if the bourgeoisie resort to violent defence of their privilege will dictatorship of the proletariat entail violence. Otherwise, erection of new democratic structures will evolve into social ownership of the commanding heights of the economy and democratic planning to meet needs.

We leave to later discussion the fact that successful socialist revolutions (Russia and China and Cuba and North Korea and Vietnam and Laos) occurred, not as Marx expected in the most advanced industrial countries, but in states that had not yet had a successful bourgeois democratic revolution, and in those countries with bourgeois-democratic rights, socialists have not yet succeeded in persuading the majority to support socialist change, though in many cases coming close.

18.3.1 *Utopian Thinking?*

Historic examples of a socialist party persuading a majority to dispossess the bourgeoisie are rare. Social Democrat majorities in the Nordic countries support extensive welfare without ownership of the means of production. The Swedish Social Democrats achieved over 40% of the vote for 50 years from the 1930s to 1980s. Britain's 1945 Labour government had a wide-ranging programme of nationalisation.

Agitation (many ideas to the few, as opposed to few ideas to the many in propaganda) is critical in the revolutionary process to ensure that consciousness is raised, and a new cadre of people are available to staff new democratic planning structures in production and social control. Intensive agitation safeguards socialist structures from being staffed by opportunists and bureaucrats. The Russian Red Army and Chinese PLA model of a political commissariat twinning with experts is likely to be needed in some industries and services because of their technical complexity.

Developed economies, such as the USA and European states, have democratic institutions (voting, elections, civic freedoms), although some are corrupted oligarchies (rule by money). For example, empirical work by Bouton (2007), Gilens and Page (2014) and Rockhill empirically shows the USA as oligarchic; each concludes that the USA is not a democracy (despite allowing voting and seemingly 'free' elections, since money rules: it is an oligarchy. The voice of the rich counts for more than the voices of the poor. Marx, Du Bois (1935) and Marable (1993) agree that reconstruction following the Civil War was an opportunity to create a democracy, an opportunity rejected in favour of Jim Crow subjugation—the second-class citizenship Berry (1963) and Reed (2022) narrate.

Sombart (1906) answered the question, why is there no socialism in the USA by arguing that relatively high incomes *embourgeoisified* workers. Marx had drawn attention to racism and divisions in the working-class. We might also note that there is support for socialist ideas in the USA, perhaps a third of the population according to Gallop, though none of the socialist parties has a mass membership. It is worth noting with Galbraith (1972) that a quarter of US GDP is already owned by the state.

To conclude, in no liberal democracy has a socialist party advocating ownership of the means of production and dictatorship of the proletariat achieved majority support; however, social democrats advocating control (without necessarily ownership) achieved majorities. In 1978 the Swedish Social Democrats considered the *Meidner Plan*, transferring share ownership gradually from capitalists to Trade Unions. The plan was rejected (1982) in part because it was argued control is sufficient to implement socialist policies.

18.4 Social Democratic Change

Marx also supported option (b) minority, alliances led by a socialist party arguing that by example the need to encroach on capitalist ownership and abstention from democratic planning would be revealed gaining support from other party members. His critique of the German SDP is mentioned above along with wider social democratic debate around control and ownership. These debates pose questions around what is socialism, what constitutes a revolution and why does a socialist programme need to raise consciousness and mobilise active citizenship?

18.4.1 *Consciousness*

One of the central contradictions that Marx addresses is that while the ruling ideas are ideas of the ruling class, the emancipation of the working-class is an act of the working-class. Ponder on this as a contradiction. Only a dialectical perspective can recognise that within capitalism, within its ruling ideas, the seeds of socialist consciousness are sown by the materialist experience of workers clashing against idealist capitalist ideology. Socialist parties and socialist agitation put the jumble of working-class ideas into a systematic framework, which if gaining sufficient strength empowers workers to overthrow capitalism beginning the journey of socialist transition.

For Marx the fact of consciousness powerfully influences the ability of the working-class to act for itself. There is no shortcut, no substitution by an elite Party for a self-confident working-class. Hence the socialist will allow no opportunity to pass to challenge capitalist ideology, no opportunity to point out where a person's ideas are inconsistent or coherent, no opportunity to present Marx's framework in language and with stories that are readily understood. The fact of consciousness evokes Gramsci's (1971) *battle for ideas*—even difficult or initially unwelcome ideas. Experience is always the best school and the need for public services features centrally in such debates. Marx says, we are all *rooted in human illusion and conditions*, circumstances that life experiences challenge. The racist finds black workers fighting the same struggle, the sexist finds the woman's suggestions the most powerful, the worker in one country hears that workers in another are fighting for the same changes. Of course, *black and white, unite and fight* and similar slogans do not instantly overcome years of capitalist indoctrination; changing consciousness takes time and is certainly non-linear. Troy's (1984) point of individual workers, often in public services realising they work for the benefit of the working-class and not individual consumption, importantly captures steps towards socialist consciousness.

Xi's (2014:275) book *Governance of China* calls for *common development* partnerships. Cheng (2019) explains that while the current stage of SWCC involves control (via planning processes) of markets, China's socialist market system retains the mission of moving towards later-stage socialism. Planning interventions are

reducing inequality (primarily abolishing absolute poverty), while allowing private ownership boosts growth, a *decisive role for markets* in China's early-stage socialism, however, with planning processes keeping alive the vision of socialist *common prosperity*. In early-stage socialism, as Guevara (1998/1963) when Cuba's Economics Minister pointed out, while it is important to grow the economy, engagement in planning curtails individualised consumerism: a culture of working for each other prevails. This culture, of working to create collective goods, Troy (1984/1992) argues, is at the heart of consciousness building in early-stage socialism. The *fact of consciousness* is recognised and strengthened by collective working culture. Deep change cannot proceed faster than the fact of consciousness changes. We return to these debates in Chap. 20 on building the new socialist person. As Luxemburg insisted and Xi Jinping constantly reminds us, the goal is peacefully achieving common prosperity, vastly expanding public services.

18.4.2 *Transitional Power in Social Democratic Change*

Draper (1987) addresses Engels' critique of the Erfurt Programme (1891), absence of dictatorship of the proletariat, by arguing that it can be *legal, temporary and limited*; thus in 'thick' liberal-democratic institutions it avoids the criticism that an elite, vanguard socialist party would attract. In the 'West' the nearest to a sustained implementation of socialist policies over time has been the Nordic countries, where a Social Democrat majority has been returned. Moore's (1963) rejection of dictatorship of the proletariat loses power when the neoliberal turn in Nordic countries is considered: Sweden and Finland are currently governed by right-wing governments intent on reducing state expenditure. Noteworthy, while Finland suffered a civil war when a socialist government attempted a dictatorship of the proletariat, none of the Social Democrat governments in the Nordic countries have suffered capitalist violent coups. The consensual, tripartite culture continues, albeit now under fire from neoliberalism. Our next chapter explores transition in North Korea, Laos, Vietnam, Cuba and China.

18.5 Pre-industrial Countries and Asiatic Mode of Production

Marx only began and did not complete his analysis of AMPs (see Chap. 5). His key points were that central ownership of land coupled with democratic arrangements in villages creates for pre-industrial countries the possibility of leap-frogging the bourgeois-democratic phase of political/economic development. Wood's (1995) *Democracy against Capitalism* recorded that pre-industrial societies remained strongly religious and kinship-based characterised by immature democracy, passive

citizenship, voting by clan or big-man clientist loyalty, without trust in the rule-of-law or institutions. Pre-industrial societies can be illiberal, *anocratic* (the elite pretending democratic processes are influential), despite an elite executive being in control.

If superstructural relations are ahead of substructural economic relations (as in 1917 Russia), class conscious elites can hold and retain state power, which for a dictator or Tsar simply involves periodic exercise of military strength. Socialists face the different challenges of needing conscious, active engagement in political and planning processes—the challenge is to raise consciousness. As Marx demonstrates in his Critique of Hegel's Philosophy of Right, consciousness is rooted in social conditions: how to escape the fact of consciousness especially when the ruling ideas of the bourgeoisie are inherited.

Partly industrialisation alters social relations. Simultaneously, agitational and educational work should bear fruit as should involvement in democratic planning processes. The mistake is to rush change (Stalin's forced collectivisation, Mao's Cultural Revolution, CR). Altering consciousness takes time. Workers understand the law-of-value takes time to wither and that meanwhile distribution might be by labour hours. Deng's opening up of China demonstrated that living standards could and did rise, cementing consciousness and CCP leadership legitimacy. As institutions thicken (Amin and Thrift 1995) *optimism of the intellect* rises. In these circumstances, a danger is a socialist minority substituting itself for the working-class, instead of accepting the challenge of expanding the working-class and its consciousness.

Many volumes have been written debating the Soviet Union's strategic options as routes from dictatorship of the proletariat towards socialism, noting that unlike the transition from feudalism, the socialist transition is a conscious human choice and (with objective limits) subject to human direction. Had Lenin lived and he with the old Bolshevik leadership headed transition is one of history's big *what-ifs*.

Bogdanov, who had been an influential Bolshevik until 1909, rejected dictatorship of the proletariat and instead called for a cultural revolution (*Proletkult*) based on a rejection of both capitalism and bourgeois democracy. In part, Lenin's (V-38) *Materialism and Empiriocriticism* answered Bukharin's (1979/1915) *Imperialism and the World Economy* which supported the CR idea. Unlike China's CR that emphasised Party-led future change, Bogdanov proposed expansion of state services at town and village level making it superficially attractive to those fearing centralised control. He opposed widespread nationalisation. In both cases, the CR was envisaged as a shortcut, instead of the slow work altering consciousness: the idea of leaders as teachers in Kinder and Stenvall (2022).

Public services play an important role as 'early gains' in transition from capitalism to socialist and during the socialist period democratised public services expand to meet social needs. Their precise nature will depend upon the level of economic and social development. In many cases, improved health and childcare and education will be prominent as will activities reducing the impact of production on nature. Chapter 19 considers these processes from the viewpoint of deepening democracy and self-activity by the working-class and its allies. In the Soviet case basic health

and education services were paramount and at the time electrification and infrastructure development.

AMP, two-phase transition, has occurred in diverse contexts and cultures, emphasising Marx's point that there can be no recipe for socialism; the arguments must be tailored to each case. Such change can be consciously led by a socialist Party. Early provision of public services is an important demonstration of gains. In an era of social media, Taylor (2021) points to the wide array of conspiracy theories and untruths that increasingly circulate in social media. Socialists cannot afford incoherence and inconsistency, and however difficult and sometimes unpopular the arguments must live in the land of truth. Coups and interventions, e.g. Congo, Patrice Lumumba 1961; Chile, 1973; Grenada 1983; Nicaragua 1990; Middle Eastern states.

The Seychelles, Africa's smallest country, is a multiparty democracy with a strong socialist voice in parliament following the demise (1990) of an openly socialist government. Despite its successful tourism economy, and high-quality public services, it faces external pressures to completely marketise. Public services include ten-year schools, developing higher-education sector, free healthcare (3% GDP), transport infrastructure (roads, airport, port). The smallness (110 k population) helps mature debate around the future. Women are especially strong defenders of public services.

AMP then theorises two-phase transition to socialism in underdeveloped countries provided there is an opportunity to transfer advanced technologies and provided expanded public services demonstrate in practice the practical benefits of change processes.

18.6 Transitions and Public Services

As noted in Chap. 16, the Marxist policy is to promote *liberation by work* amongst peasant and working-class women, supported by some combination of collective service provision for childcare, laundry, eating and cleaning: a policy popular to varying degrees. After only three years of revolutionary activity in Russia, Bukharin's (1920) *On the Development of Soviet Women* celebrated work liberating women, developing the class consciousness available from the workplace, unavailable from the kitchen sink. In China too an early gain for women was release from the kitchen into liberating workplaces: peasant farms or factories.

In terms of political economy, the locus of UV production shifted from the household to public services, retaining however the UV character of these services, i.e. services solving problems for citizens (childcare, laundry) created and distributed without market/money mediation.

To reiterate a point made earlier from Draper (1971) these processes should not be misunderstood as suggesting that *statizing* all services and extending public services into every domain of life does not constitute socialism if private property ownership and power over the state are left intact. Creeping up on capitalism and achieving transformative change without class conflict is impossible: an onion can be peeled skin by skin, but a tiger cannot be taken apart claw by claw. Revolutionary establishment of a dictatorship of the proletariat is necessary for all socialist change: unless state power is gained it may not be possible to fight off any capitalism backlash, and without taking state power, the state cannot be ‘smashed’, and new proletarian democratic structures created.

How far work was liberating, as Chap. 16 considered, depends partly on the subjective (including emotional) experience of women. Early after the birth of a worker’s state is perhaps too short a period in which to establish post-capitalist work processes, often involving investment in different types of machinery and processes. It is not, however, too soon to establish democratic structures in all workplaces feeding into sectoral and regional planning and providing liberating learning experiences for women entering the workforce. Auerbach and Skott (2021) wrongly argue that central planning and freedom are counter-posed, provided the planning is both top-down and bottom-up.

18.7 Conclusions: Transitioning and Public Services

In transition to socialism, public services are part of the journey and part of the destination. The journey, because crowd out for-profit services may be financially inaccessible, also can be school for democratically planned economy; UV public service gains breed confidence in the wider struggle to overturn capitalism class rule. The socialist republic aims to meet social needs at the core of which are collectivised services such as health, education and care coupled with dis-alienating culture, time for leisure and inquiry and the satisfaction of knowing the product of labour is going towards social well-being and not capitalist profit. Taking state power and establishing a dictatorship of the proletariat will be a peaceful process unless capitalists seek violently to overturn democratic elections. State power is essential if entirely new democratic structures are to be created.

Successful transition requires majority active citizenship, the only basis for self-emancipation, likely to alter more slowly than production and to require trans-generational changes in consciousness requiring relational leadership (leaders as teachers and learners) and systematic agitational work by socialist parties. Majority participation is needed to shape the future, Marx having refused speculation around *recipes for the cookshops of the future*.

Only gradually as production increases and abundance approaches will the law-of-value wither, along with the state in late-socialism/communism. Early transition goods and services and resources will be distributed by price (planned and increasingly imputed, not market) perhaps using labour hours. Important early wins

expanding public services will demonstrate the value of socialist transition, especially to women workers.

Since heritage, context and culture vary, each transition within these guidelines will appear different, following Deng Xiaoping's advice to evolve their own route to socialism, to *make your own history*. Historic debates on SIOC have little relevance to China with its large internal market, economic revolution in 1949 and continued trading links, IFDI and TT. Stark choices around closing the *metabolic rift* created by capitalism will be faced by some countries; overall socialist planning is the only way to prevent the rift widening. Social inequality too will vary, as will the ability to take major companies into public ownership and democratic plan production and set tax, wage and price levels. As consciousness grows so too will the bonding of working for each other.

Promoting the use of dialectics in problem-solving, Chen (2019) offers two pieces of advice. Firstly, to deeply investigate social trends and issues: to assemble a material evidence base from which to assess subjective feelings and to solve problems. Secondly, he says, to face arguments head-on, sharp discourse, clashing facts, ideas and options, so long as it is inclusive of all voices, solves problems efficiently. His advice is: *hear the rustle of the leaves and grass when a deer is passing through, know the tiger is coming as soon as the wind hisses*.

This chapter is an ideal foundation for the next, which considers the transition from socialism to communist abundance, democratic planning and social integration and the rounded socialist person.

References

- Allende S (1939) *La Realidad Medico-Social Chilena*, Ministerio de Salubridad, OPrevisión y Asistencia Social, Santiago, Chile
- Amin A, Thrift N (1995) Institutional issues for the European regions: from markets and plans to socioeconomics and powers of association. *Econ Soc* 24(1):41–66
- Auerbach P, Skott P (2021) Vision of the future – a socialist departure from gloom. *PSL Q Rev* 74(298 (September)):155–177
- Beer S (1979) *The heart of enterprise*. Wiley, Chichester
- Bernstein E 1901 (1993) (Tudor translation), *The preconditions of socialism*. Cambridge University Press, Cambridge
- Bernstein S (1971) *Auguste Blanqui and the Art of Resurrection*. University of California, Los Angeles
- Berry B (1963) *Almost White: a study of certain racial hybrids in the Eastern United States*. Macmillan, New York
- Bouton T (2007) *Taming democracy: the founders and the troubling ending of the American Revolution*. OUP, Oxford
- Bukharin N (1920) *On the Development of Soviet Women*. Moscow Foreign Language Press
- Bukharin N (1925a) *Historical materialism a system of sociology*, Moscow Foreign Language Press. <https://www.marxists.org/archive/bukharin/works/1921/histmat/> Available from (accessed 12/12/23)

- Bukharin N (ed) (1925b) *Science at the Cross Roads. Papers Presented to the International Congress of the History of Science and Technology, 1931, By the Delegates of the U.S.S.R., Cass, London*
- Bukharin N (1979/1915) *The politics and economics of the transition period*. Routledge, London
- Carchedi G, Roberts M (2023) *Capitalism in the twenty-first century – through the prism of value*. Pluto Press, London
- Chen Y (2019) Taking strategic initiative to prevent and defuse major risks. *Qiushi Journal Online* (Secretary-general, Central Political and Legal Affairs Commission)
- Cheng E (2019) *China's Economic Dialect – the Original Aspiration of Reform*. International Publishers, New York
- Chernev B (2019) *Twilight of Empire: The Brest-Litovsk Conference and the Remaking of East-Central Europe, 1917–1918*. University of Toronto, Toronto
- Cotterell A, Cockshott WP (2018) *Calculation, complexity and planning: the socialist calculation debate once again*. Penguin, London
- Draper H (1971) The principle of self-emancipation in Marx and Engels. <https://www.marxists.org/archive/draper/1971/xx/emancipation.html#f50>
- Draper H (1987) *The dictatorship of the proletariat from Marx to Lenin*. NYU, New York
- Du Bois WEB (1935, 2019) *Black reconstruction: an essay toward a history of the part which black folk played in the attempt. To reconstuct democracy in America 1860–1880*. Free Press, New York
- Elsner W (ed) (2001) *International restructuring and conversion of the arms industries and the military sector: industrial, regional and sociocultural aspects*. Proceedings of the International Conversion Conference, Bremen, April
- Engels R (1847) *The Principles of Communism*, available at the Marxist Archive (accessed 121223). <https://www.marxists.org/archive/marx/works/1847/11/prin-com.htm>
- Engels F (1891) *Dialectics of Nature*, (accessed 201031) available at <https://www.marxists.org/archive/marx/works/download/pdf/dialectics-nature.pdf>
- Galbraith JK (1972) *The New Industrial State*. Houghton, Boston, MA
- Giddens A (1984) *The constitution of society*. The University of California Press, Berkley, CA
- Gilens M, Page BI (2014) Testing theories of American politics: elites, interest groups, and average citizens. *Perspect Polit* 12(3):564–581
- Gramsci A (1971, 1939–35) *Prison notebooks* (Quintin Hoare and Geoffrey Nowell eds). International, New York
- Guevara E (1998/1963) *Guerrilla Warfare*. Monthly Review Press, New York
- Hayek FA (1945) The use of knowledge in society. *Am Econ Rev* 35:519–530
- Hayek FA (1962) *The road to serfdom*. Routledge, London
- Kane G (2023) Comparative international law: enhancing migration law enquiry? *Int J Migrant Border Stud* 7(2):149–165
- Kinder T, Stenvall J, Koskimies E (2022) *Everyone a philosopher? Learning during AI innovation*, University of Tampere, Working Paper
- Lenin VI (1904) *The Development of Capitalism in Russia, V-4*, Moscow
- Liu Shaoqi (1984) *The Theory of Transition in China: the Thought of Liu Shaoqi*. International, BJ
- Liu Shaoqi (1987) *The Theory of Transition in China: The Thought of Liu Shaoqi*, Collected Works, Hong Kong Research Institute
- Luxemburg R (1901/2003) *Accumulation of capital*. Routledge, London
- Marable M (1993) *How capitalism underdeveloped black America*. Haymarket, Chicago, IL
- Mao Zedong (1943) *The Comintern has long since ceased to meddle in our affairs*, https://www.marxists.org/reference/archive/mao/selected-works/volume-6/mswv6_36.htm
- Marx K (1871) *Civil War in France*, MECW-V:35
- von Mises L (1960) *Epistemological problems of economics*. Van Nostrand, London
- Moore M (1963) *Societies, politics and capitalists in developing countries: a literature survey*. *J Dev Stud* 33(3):287–363
- Panaf Books (2009) *Patrice Lumumba (Great Lives)*. Panaf LTD, London

- Preobrazhensky E (1926, 1965) *The new economics* (2nd ed). Clarendon Press, Oxford
- Przeworski A (1985) *Capitalism and social democracy*. CUP, Cambridge
- Przeworski A, Limongi F (1993) Political regimes and economic growth. *J Econ Perspect* 7(3):51–69
- Rapport M (2008) *1848 – Year of Revolution*. ABACUS, London
- Reed AL (2022) *The South – Jim Crow and its afterlives*. Verso, New York
- Sombart W (1906/1976) *Why is there no socialism in the United States?* E. Sharpe, Inc., White Plains
- Stalin JV (1926) *Dialectical and Historical Materialism*, Progress, Moscow
- Taylor A (2021) *Remake the world*. Haymarket Books, Chicago, IL
- Troy E (1984) (part-1) 1992, (part-2) *The Social Wage*. Crabtree Press, Hove
- Tsang S, Cheung O (2024) *The political thought of Xi Jinping*. OUP, Oxford
- Wood EM (1995) *Democracy against capitalism – renewing historical materialism*. Verso, London
- Wright I (2016) *The social architecture of capitalism*. Available at (accessed 090324) <https://sites.google.com/site/sites/system/errors/WebSpaceNotFound?path=%2Fianwrightoxford%2F>
- Xi J (2014) *The Governance of China*. Foreign Language Press, BJ
- Zedong M (1943) *The Comintern has long since ceased to meddle in our affairs*, https://www.marxists.org/reference/archive/mao/selected-works/volume-6/mswv6_36.htm
- Zedong M (1955/1977) *A critique of Soviet economics*, translated by Moss Roberts, and introduction by James Peck Monthly Review Press, New York
- Zeiling L (2008) *Lumumba (Life and Times)*. Haus Publishing, The Hague

Chapter 19

Public Services, Planning and the New Person



Abstract The chapter takes the examples of Walmart and Tencent as mega companies larger than most states, using AI and staff involvement to effectively plan their operations, achieving high levels of efficiency, levels that with socialist democratic involvement in workplaces and communities may be even higher: socialist democratic planned economies are a practical possibility, with the consensus being that the absence of democracy in the Soviet case resulted in inefficiency and failure, noting that ideologically the Soviets began celebrating consumption and competition instead of cooperation and democracy, rather than focusing on innovative public services.

Socialist planning has no less a goal than the creation on a new type of human, one no longer enslaved by production for profit and alienating work processes, but instead increasing educated and capable of cultivating their own culture, recapturing a pre-capitalist humanity without market mediation and with a close connection to nature, no longer being destroyed by corporate externalities beyond the control of Government and international agencies.

While, in a transitional period, labour hours might determine commodity distribution (as is policy debate in China), the goal is abundance and sufficient free time and education to create the new type of human, noting that democracy is the key to progress in this regard. Public services are essential to non-market use-value production and distribution of wealth.

19.1 Introduction

Marxists apply dialectical logic to the problem-solving involved in building socialist transition. This is an optimistic perspective calling for dis-alienating activity, bringing out the best in the human spirit. As Wendling (2003) notes, ever-increasing output of commodities for surplus-value (SV) expropriation fetishises commodities, a productivist logic. Alternative, production for need, opens doors into dis-alienation. This chapter is structured by three concepts: planning, democracy and abundance and the interplay between the three with public services, the argument being that

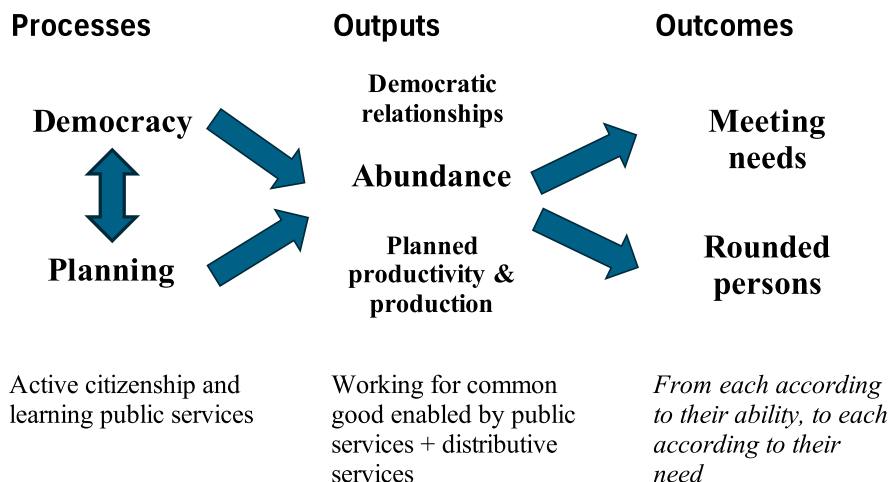


Fig. 19.1 Democracy, planning and abundance interplay with public services

planning is needed to create abundance, which in turn is a precondition for dis-alienated, rounded personhood.

Figure 19.1, a simplified heuristic, shows (on the left) democracy and planning as processes. As activity moves rightwards, they are also outputs of the system: relationships between people and production levels. Further to the right shows abundance delivering *according to needs* and fostering dis-alienated socialist personhood. Democratic planning aims to release the productive potential of technology, requiring new social relations of production. This is not a productivist agenda; the (wider) outcomes of the system are production *for need* and dis-alienated persons relating to each other, to nature, and to the product of their labour—capturing the human essence. Gone are market mediation and alienating production for profit.

As the references to public services, working for the common good and Marx's slogan at the bottom of the figure indicate, this chapter will show that throughout these processes transitioning from late-socialism to communist abundance, public services play an essential role. The state and market exchange-value (EV) relationship wither meeting needs, and allowing what Marx terms *rounded*, back to human essence persons to emerge.

19.2 Democratic Planning and Transitions Accountability

19.2.1 Planning to Meet Needs: Socialism's Trump Card

Planning inserts conscious human intent into the space irrational markets previously occupied. It allows integration of previously fragmented activity, eliminates wasteful and unnecessary competition and directs production activity towards

democratically decided goals. Figure 19.1 is an entry door into a whole system, centred on production because by meeting needs humans pursuing an enriched life is released. Production immediately widens democracy and planning into community and regional/national/international divisions of labour, feeding back into production, democratic decisions on what should be produced and how. This exposes the flaw in Bogdanov (see Sochor 1988) and Bukharin's (2015) cultural revolution: abundance presumes radical changes in all de-alienating relations, it has a material base, cultural revolution can only be superstructural.

19.2.2 *Historicising Planning*

The Origins of Planning

Planning has a four-fold origin. Firstly, marshalling military force requires strategic and tactical planning of movement, storage and use of people and materials. Secondly, competence-based division of labour requires planning skills involving linkage from production processes to market demand. Thirdly, household labour plans time and materials around food and the necessities of life. Finally, major organisations require planning to respond to events. Whereas for Faludi (1973) planning is either substantive (ends) or procedural (means), this chapter emphasises democracy in planning in which participants engage in both.

Military Logistics Planning

Vine (2015) identifies 750 US military bases, around half of which encircle China. He argues they support dictatorial governments, result in sexual violence, destruction of the natural environment, and have negative impact on local economies. Costing perhaps US\$ 200-billion per year, servicing such bases—many with special (nuclear, satellite, submarine) requirements—is a logistical challenge. Quartermaster, ordnance and transportation branches, each with logistics and planning specialists, coordinate with hundreds of defence suppliers and defence logistics companies under the over-arching Defence Logistics Agency in a rolling strategic plan (2023). The Five-Eyes intelligence also organises coups (Grenada, Nicaragua, Cuba, Libya, Afghanistan). Its level-one members (USA, UK, Australia, New Zealand and Canada) are joined by a level-two of 33 countries, including Israel, Germany, France, Italy, Singapore, Japan, India, UAE and KSA. Five-Eyes planning, Kerbnaj (2022) argues, tracks enemy and friend capabilities, sharing information on a carefully planned basis.

The point is that a great deal of military and upward delegation planning is occurring in a world which otherwise we are told favours free markets and regards planning of public services as anathema.

Post-1945 Keynesian Planning

What Marglin and Schor (1992) call the golden-age period of economic growth between 1945 and 1973 featured economic growth and prosperity far exceeding the ‘hungry’ 1930s and the period of neoliberal economy since 1973. Skidelsky (2009) quotes pre-1973 figures for global GDP growth of around 5% and unemployment around 2%. Personal income tax rates reached 80% as spending on welfare increased: countries grew more unequal, within and between countries. These were years of economic and financial Keynesian planning: Britain’s Department of Economic Affairs, France’s indicative planning—which Cave and Hare (1981) regard as the EU’s foundation stones—and Japan’s MITI planning of cooperative R&D amongst oligopolistic companies domestically with sharp competition in international markets (Freeman 1988).

Planning advanced public services, such as transport and medical records (through big-data analysis), includes plans for both production and distribution. The most prosperous and equal period of capitalist growth was based on tripartite (government-industry-trade union) shaped economic planning and expanding public services not unplanned ‘free’ market capitalism.

Major Companies and Planning

Walmart, the world’s largest retailer has 11,700 retail units in 28 different countries, also e-commerce, 2.3-million staff, and (2019) US\$ 519-billion revenue. Its supply chains draw supplier companies into planning systems featuring both lean (maximum value) and low-cost (minimum cost) drivers. Phillips and Rozworski (2019) say cost-downs arise from inventory identification and tracking using advanced (AI-enabled) technologies to automatically re-stock; suppliers bearing inventory costs, including buffer and seasonal stocks. Bullwhip is avoided by cross-docking goods at prescribed centres, expecting zero quality defects. Walmart’s distribution costs at 1.7% turnover are half those of competitors. AI-enabled planning systems are based on mature technologies such as RFID signalling, two-way inter-store communications and the Manager’s *My Productivity* app. Walmart Fulfilment Services system controls inventory, forecasts demand and manages replenishment, tracking shelf-space return and customer data-analysis. In sum, Walmart uses a technologically-assisted sophisticated planning system for competitive advantage.

For Lee (2018) Tencent leads China’s overtaking of the USA in artificial intelligence (AI). It includes WeChat messaging and payments, an ecosystem of leisure services and world-leading games (Clash of Clans and Clash Royale). It has investment in Snapchat, Spotify, Tesla and Hollywood film and TV; Tencent Music dominates Chinese downloads. Under Ma Huateng’s leadership, Tencent’s 112,000 staff, half R&D, are continually reinforced by strategic purchases of software SMEs. WeChat is ubiquitous in China from taxi hailing to being the primary reason China is now cashless. It seamlessly accesses [JD.com](https://www.jd.com/), China’s largest e-commerce site including Whole Foods, Yonghui and food delivery. WeChat integrates more than

Silicon Valley: it is a technological giant growing through innovation. Its services are planned using AI-enabled systems and seamlessly provide access to a wide range of public and private services.

19.2.3 Classic Theoretical Debate

Marx: Private Property and Planning

Marx disputes with Owen, Fourier and Lassalle were over planning, insisting that socialism requires the abolition of private property and replacing the bourgeoisie state by democratic planning. Rejecting Lassalle's top-down state socialism, instead Marx envisaged planned production for need, ending wasteful competition and unleashing productive forces. For Marx planning is the point where changed social relations of production and reproduction meet. Active, learning individuals in relations unmediated by markets and capitalist institutions: potentially a Hegelian transcendence from capitalist labour to free individuals. This includes closing the ecological-rift unsustainable relationship with nature and undermines Hume's (1739:309) thesis limiting benevolence towards others, except those we know personally.

Classic Debate on Planning Theory

In the 1920s right-wing Austrian economists von Mises (1960) and Hayek argued for the superiority of markets in allocating resources and distributing goods. They were disputed by socialists of various types including Tisch (1932), Lange (1938, 1958) and Dobb (1935) creating the socialist planning classic debate.

Von Mises argued that by trial-and-error market agents identify the least cost, highest return making markets rational, prices act as dynamic signals for resource allocation and goods distribution, signalling denied to planning. Kautsky (1903) agreed, saying that money would continue to be used in a socialist economy. Preobrazhensky (1926) instead insisted that the law of value waned, as socialised ownership, distribution by labour hours, and socialist planning extended. Higher productivity from planning would create lower prices, Lange (1958) argued, through marginal costing in later transitions. Hayek's influence persisted, founding the neoliberal Mont Pellerin Society, the neoliberal ideological group that captured the WTO (Slobodian 2018), his (1962) *Road to Serfdom*, the hollowed-out state Thatcher and Reagan promoted. Keynes' (1930) managed economy relied on aggregate demand management not industrial policy. Sraffa (1973) returned to Ricardo, arguing for market allocation of capital and planned distribution of consumer goods (see Steedman 1981) and Stiglitz (1994) advocated companies competing on innovation not price, again allowing enhanced planning. Mazzucato (2013), sometimes

claiming to favour socialism, continues to support market resource allocation, though not of public services.

Various summaries of the classic debate are now available most favouring the market side of the argument. Levy and Peart (2016) say, in *hindsight, it is evident that the incentives in a planned economy are such that planners are not motivated to promote the public interest* and Hammersley (2021) recommends Mannheim's (see Hammersley 2021) social-market economy. Reviewing the debate, Cockshott and Cottrell (1993) agreed with Kantorovich (1939) that the availability of computing power equalised information available from markets and planning (see Chile below). Marx, however, regarded planning is not a technology fix and instead a new set of social relations, learning to play new social role, working for others freely.

19.2.4 Socialist Planning: Success or Failure?

Failure of Soviet Experiment?

Planning in North Korea, Laos, Cuba, Vietnam and especially China are contributing to rising output, reduced poverty and fairer distribution of consumer goods (see below). Yet, the public and even learned economist's conventional wisdom is that planning fails—narratives of too many right-foot shoes and factories bartering for materials. Spufford's (2010) *Red Plenty* cites stories from the Soviet Union during Stalin's leadership. Soviet GDP growth between 1928 and 1985 averaged 4% per year. Khrushchev, while visiting the USA in 1959, said *You have nothing we want to buy; we will out-grow you*. China is now out-growing the west. Despite the mistakes of the GLF and CR, between 1950 and 1978, China's GDP (at PPP) doubled, easily outstripping Japan.

Chile's Experiment

Chile is often cited, as Gabriel (1995) notes, for the *Chicago Boys* neoliberal economists, whose policies sent the economy into free fall. Less well-known is the Chilean experiment with computing-supported planning. Stafford Beer, a world-leading systems researcher from Manchester Business School, led the project (Beer 1979) that programmed sectors of the Chilean economy. However, as Kantorovich (1939) had found on a similar project in the Soviet Union, the computing power of the 1970s was incapable of running the algorithms or interrogating even slimmed-down databases. Pucher's (1990) later experiments planning transport systems in Czechoslovakia were more successful. Cotterell and Cockshott (2018) detail Allende's attempt at economic planning. He had a lifelong interest in the subject (Allende 1939) using his democratic election as President to support Beer's project. However, 9/11 was the fateful day in 1973 when CIA-sponsored terrorists murdered

Salvador Allende, also burying the experiment with computerised economic planning.

Socialist countries appear to be successfully increasing output, though none yet beyond the primary phase of socialism, far from abundance.

19.2.5 Planning in Today's Socialist Countries

How is planning used in today's five socialist countries and with what success? A brief look at North Korea, Laos, Cuba, Vietnam and China paints a positive picture of planning.

The Democratic People's Republic of Korea (DPRK) is post-capitalist; the state owns or controls the means of production supporting extensive public services. It is not post-socialist as Ward and Barker (2019) assert. DPRK imitates China (socialism with Korean characteristics) by strictly controlling capitalist activity. The Korean Worker's Party controls a Central Planning Committee system, which, Carothers (2022) says, allows a small amount of international trade. Some state assets use market techniques (Noland 2006) and some competitively recruit staff (Lankov et al. 2017). Overall, planning predominates with consumer goods distributed by labour hours, retail regulated, some housing markets flourish. DPRK agriculture has not recovered from the demise of the Soviet Union, suffering difficulties importing oil and fertiliser, made even more difficult by the US-instigated trade boycott (Xu 2024).

Lao PDR owns the means of production and has a central planning system. Phimphanthavong (2012) notes, in 1986 the *New Economic Mechanisms* followed an opening up policy deregulating prices, production, trade, foreign exchange and IFDI: currently, the ninth FYP 2021–25 and *Vision 2030 Strategy*. Trade (mainly Thailand) is in primary produce with clothing/footwear and some capital goods. Menon et al. (2006) note the advantages of central planning for attracting IFDI, e.g., a competitive tax regime; 60-day licence and infrastructure projects (especially for mining). LPDR works closely in ASEAN and ADB. Davading et al. (2012) calculate a GDP 8% growth rate. A challenge, Lestrelin et al. (2012) note, is dispersing industry away from Vientiane (Suhardiman et al. 2019). For Sharifi (2014) land use and regional policy are the main areas of contention in the planning system, a main goal being to disperse jobs and abolish rural inequality (Warr et al. 2012). Public services are basic but accessible. Avoiding Dutch disease is important given the success of mining and hydro projects. While relatively poor, welfare payments follow the Asian model with high investment in education public services and infrastructure.

The Socialist Republic of Vietnam (SRV) is a successful modern economy and society, continuing as Vo Nhan Tri's (1990) transition to socialism. Since 1975, change has been cautious and Fforde (2019) argues bottom-up, slow enough for the political system to adjust. Mai (2008) describes a National Ministry, People Committee and Provincial, District and Commune planning system using targets

such as poverty reduction (below 4%). Elections are held for all three tiers of government. With 5% GDP growth, public services are expanding. Planning and government systems are transparent and accountable. Many SOEs are now partly privately owned ownership with Government retaining 100% ownership of the key industries. The two-million private enterprises create 65% of value-added. Officials' recruitment is meritocratic. Moving up the value-adding ladder Vietnam prioritises long-term investment in R&D and research-level institutes/universities. Vietnam's economy is successful as are the digitalised planning system and democratic engagement. Transition to socialism continues.

Cuba continues to resist the USA's boycott still bites (*el bloqueo*, the blockade) penalising anybody trading with Cuba (Frank 2000). Its planning system is now unrecognisable from the top-down centralised system dominated by Castro. Planners since 2018 encourage IFDI, Cuban cooperatives, self-employment and SMEs. GDP growth is 4%, vibrant sectors being medical services and tourism. Exports include sugar/rum, natural pharmaceuticals and fish. As Campbell (2004) notes, planning goals revolve around social wellbeing, not GDP growth; securing foreign exchange is a priority to purchase items that cannot be substituted or made on the island. Investment in public services remains high, e.g., in health and education; it continues to outpace the USA in terms of education. As in all areas of public life participation rates in planning consultative processes are high (Martín 2002). Cuba continues its transition to socialism.

Mao was critical of the Soviet one-man management calling for democratised planning, which he described as *walking on two legs*. China differs from the four economies above: its size and growth potential make it attractive for IFDI and as a technology transfer partner. Its world-class universities are producing first-order economists and planners. Already at high middle-income level, China's goal of becoming a high-income society by 2049 is achievable. China is already world-leader in several technology sectors including AI, e-commerce, e-Vehicles and some areas of life-sciences. Its high-end cultural industries are mushrooming. China is an urbanised society with the current 14th FYP predicting over-60% urbanisation and migration into a service economy. Hukou reform is underway. As Cheng et al. (2019) notes, China's infrastructure is amongst the best in the world, as are its public services (health, education, care and transport), and its planner modelling. It prioritises green growth (peak carbon before 2030, neutral 2049). Formalistic evaluations of citizen engagement in China based on European criteria as Enserink and Koppenjan (2007) are a waste of time. As Shan and Yai (2010) show, most of the local issues in planning relate to changes in land use and the citizens of China have evolved many ways outside of the formal system to display their preferences. Controlling the property market is proving a challenge. National planning processes revolve around the 100-million members of the CPC. The compact with citizens that the Party will deliver jobs, growth and progress towards socialism is holding firm under President Xi's leadership.

Each of these countries is using planning, with varying degrees of democratic engagement and accountability, to manage growth and social priorities as part of a transition to socialism. Marx's view is confirmed that ending private property and

introducing planning instead of market mediation and competition releases greater potential of productive forces.

19.2.6 *Modern Socialist Planning*

Marx (*Capital* V-1:588) envisioned a future society *in which the full and free development of every individual forms the ruling principle*, with everyone having a voice in democratic planning, hence the importance of replacing bourgeois state structures. Individuals are called (using Vygotsky's terms) to use planning structures as scaffolding, to learn and internalise how their society is progressing. AI modelling helps and its important key decisions in algorithms are accountable and not deemed merely technical. The journey from money to labour hours, then to abundance and distribution according to need, will be longer if the starting point is at a lower level.

Remembering that public activity already account for 25% of USA GDP and almost 40% of UK, planning already supports public service improvement. Take the simple example of demand-smoothing for hospital appointments: arranging day-surgery so that it aligns with low on-demand services and staffing availability. Another example is planning traffic flows to avoid congestion. Planning enables public service providers to act effectively and to avoid waste. AI-based planning offers a wide range of problem-solving opportunities in local public services. These are signs of the seeds of socialism growing within the body of capitalism.

For the founders of neoliberalism, the core advantage of the market over planning was that price signals via markets breeds efficiency, what Hayek called *action at a distance*. Market superiority over planning often cites Soviet bureaucratic planning. Marx substitutes the voice of citizens in democratic structures for price signalling, today enabled by AI technologies.

Our point is this: compulsory competitive tendering for supply, contracting (cleaning, food, maintenance, etc.) was partly justified by the arguments that market efficiency necessarily trumps planned in-house provision. A rerun of the famous 1930s market vs planning debates (Cotterell and Cockshott 2018) would now rebuff the neoliberal idealist perspective. Can public agencies use AI, in the same way as Walmart and major private sector companies, to increase efficiency and forego disruptive competitive tendering? Nobel economics laureate, Joe Stiglitz (1994) thinks so.

Socialist planning is not a technological fix, but the release of human will-power taking control of meeting needs made easier as self-confidence grows and rounded persons emerge. For Marx the goal of planning and productivity is releasing time to become a de-alienated, rounded person.

free time—which is both leisure as well as time for higher activity—naturally transforms its possessor into another person; and it is then this person that enters into the process of production. *Grundrisse*-II:97

Planning resource allocation and distribution of goods and services is essential to creating socialist abundance.

19.3 Abundance

19.3.1 *The Vision of the New World*

Lenin (1920), in his *From the Destruction of the Old Social System to the Creation of the New*, written to ‘cheer up’ the Party, as the retreat that was NEP reintroduced money and markets back into Soviet life.

Communist labour in the narrower and stricter sense of the term is labour performed gratis for the benefit of society, labour performed not as a definite duty, not for the purpose of obtaining a right to certain products, not according to previously established and legally fixed quotas, but voluntary labour, irrespective of quotas; it is labour performed without expectation of reward, without reward as a condition, labour performed because it has become a habit to work for the common good, and because of a conscious realisation (that has become a habit) of the necessity of working for the common good—labour as the requirement of a healthy organism. It must be clear to everybody that we, i.e., our society, our social system, are still a very long way from the application of this form of labour on a broad, really mass scale. ...To achieve big things we must start with little things.

One of the ‘big things’ being achieved was the move of women from the kitchen sink into the labour force, receiving her wage packet. The *Zhenotdel*, formed in 1919 by Alexandra Kollontai and Inessa Armand had the mission of educating these new women workers in the ways of trade unions, political economy and planning, so that they might play a full role in the working-class. By 1927 the *Zhenotdel* counted 620,000 members. Many would have read Kollontai’s *New Woman* (1918) encouraging women not only to learn how to operate a capstan lathe and move a union branch motion, but also to adopt the

psychology of the new, independent, single woman, according to type, is reflected in the image of the rest of her contemporaries: the traits of women, who belong to the army of those earning their own livelihood, formed by life itself, by degrees also begin to be the hallmark of the others. It matters not that those who earn their own livelihood are still in the minority, that for each one of them two, even three, women of the old type emerge. Working women set the tone of life and form the character in respect to the image of our time. ... With her transvaluation of the moral and sexual standards, the new women shake the unshakeable pillars of the souls of all the women who have not yet embarked upon the new thorny path. The dogmas that keep a prisoner of her own world-view lose their power over their minds....The influence of women earning their own livelihood spreads far beyond their own circle. With their criticism, they “poison” the minds of their contemporaries, they smash old idols, they raise the banner of revolt against those “truths” with which women have lived for generations. By liberating themselves, the new, single women, earning their own livelihood, also liberate the passive-backward spirit, as this has been moulded down the centuries, of their contemporary sisters.

Women, dizzy with liberation, were contributing to building the new society where scarcity and poverty would one day become mere stories for grandmothers to tell their children.

Why Attack Scarcity?

Why does communism have to be built on abundance and not scarcity? The great American socialist Eugene Debs used to say that if you have scarcity, you have a queue, and if you have a queue, a police officer is needed to keep it in order; so if you have scarcity, you need a state, and who controls the state? Market institutions not only manage scarcity—but they also create scarcity in the interests of asset holders. Malthus (who Marx calls the *dismal pastor*) would have approved, he said (1798) *the power of population is indefinitely greater than the power in the earth to produce subsistence for man*. As Marx argued (pointing to technology advances) and as events proved, Malthus was wrong.

Keynes (1936) was just as wrong referring to future *groups of people from whom the problems of economic necessity had been practically removed*. Keynes forgot that money attracts money, and rising inequality still means that millions across the globe do not even have enough to eat. Abundance meets all basic needs and opens doors to dis-alienating life in which labour and leisure are equally sought and fulfilled. Bourgeois economics soon forgot about Keynes meanderings and Robbins' (1935:16) *Nature and Significance of Economic Science* defined economics as *the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses*. This (wrongly) defines economics in terms of scarcity sadly, the normal definition pushed to students today.

19.3.2 Marx on Abundance

Marx and Engel's vision of communism is neither welfarist nor moralist. In *Principles of Communism* (1847, MECW-V:6:349) Engels argues, *The development of large-scale industry [creates] capital and productive forces on a scale hitherto unheard of and the means are available to increase these productive forces in a short time to an infinite extent*. And, in the *German Ideology* (1845, MECW-5:47), they famously say,

As soon as the division of labour comes into being, each man has a particular, exclusive sphere of activity, which is forced upon him and from which he cannot escape. He is a hunter, a fisherman, a shepherd, or a critical critic, and must remain so if he does not want to lose his means of livelihood; whereas in communist society, where nobody has one exclusive sphere of activity but each can become accomplished in any branch he wishes, society regulates the general production and thus makes it possible for me to do one thing today and another tomorrow, to hunt in the morning, fish in the afternoon, rear cattle in the evening, criticise after dinner, just as I have a mind, without ever becoming hunter, fisherman, shepherd or critic.

They continue these themes in the 1847 *Poverty of Philosophy*, critiquing utopian socialist Proudhon's ideas, stating that he is anti-science and, therefore, against the very forces that could release workers from the unremitting toil of factory work. Thus, from the beginning of their intellectual journey, Marx and Engels recognise that science and technology by massively increasing the productivity of the means of production can—if controlled by workers—create the abundance of goods and services ending drudgery: the key to the door of a dis-alienated future.

Marx never ceased returning to the theme of abundance. In his *Grundrisse* notes for *Capital*, entitled *Fragments on Machines*, Marx makes the crucial point that abundance means that living labour is no longer a source of wealth, feeding dead labour in the form of accumulated capital; a view confirmed by robotic production today. Instead,

Capital employs machinery, rather, only to the extent that it enables the worker to work a larger part of his time for capital, to relate to a larger part of his time as time which does not belong to him, to work longer for another. Through this process, the amount of labour necessary for the production of a given object is indeed reduced to a minimum, but only in order to realise a maximum of labour in the maximum number of such objects. The first aspect is important, because capital here—quite unintentionally—reduces human labour ... to a minimum. This will rebound to the benefit of emancipated labour, and is the condition of its emancipation.

Marx (MECW-35:490) in *Capital* (1867:491)

These effects would make it necessary to replace the detail-worker of today, crippled by life-long repetition of one and the same trivial operation, and thus reduced to the mere fragment of a man, by the fully developed individual, fit for a variety of labours, ready to face any change of production, and to whom the different social functions he performs, are but so many modes of giving free scope to his own natural and acquired powers.

His philosophical outline of abundance reflects his reluctance to prescribe what communism will look like, *writing receipts for the cook-shops of the future*, holding that in each socio-historical setting people will make their own destiny. Marx's deep commitment to democracy is evident: communism will be in the *interest of the immense majority*, and the act of emancipation will be an act of the working-class. No sign of putsch or top-down impositions here. The Paris Commune clarified for Marx the distinction between socialism as a transitional stage from capitalism and the later communism characterised by abundance. Prior to the Commune of 1871 he used the terms interchangeably, afterwards more precisely. For example, in the *Housing Question* (1872, MECW-23:381) Engels returns to criticising moralistic views of the socialist transition to communism saying,

... while in everyday life, in view of the simplicity of the relations discussed, expressions like right, wrong, justice, and sense of right are accepted without misunderstanding even with reference to social matters, they create, as we have seen, the same hopeless confusion in any scientific investigation of economic relations.

Similarly in his speeches to the first International on socialism, Marx rejects a moral notion of a *just or fair wage* as characterising future societies. Detecting the moralising creeping into the German SDP, in his 1875 *Critique of the Gotha*

Programme (MECW-24:87) he points out that all morality and theories of justice are relative to historical, social and cultural setting, whereas his characterisation of socialism as transitional and communist abundance are objective.

After the productive forces have also increased with the all-round development of the individual, and all the springs of commonwealth flow more abundantly—only then can the narrow horizon of bourgeois right be crossed in its entirety and society inscribe on its banners: From each according to his abilities, to each according to his needs!

The objective of abundance is joined with individual *all-roundedness*—the dis-alienated being we first encountered in 1844. Today Marx would contrast the abundance of digital products yet the growing scarcity of non-renewable nature.

As soon as labour in the direct form has ceased to be the great well-spring of wealth, labour-time ceases and must cease to be its measure, and hence exchange-value must cease to be the measure of use-value. Capital, V-I:78

For Marx, abundance withers the state, markets, the law of value and dis-alienates citizens. Writing in 1934, Vygotsky (1965/2009) in *The Story of Great Discovery* (Marxist Internet Archive), he cites Marx's Capital:

Let us now picture to ourselves ... a community of free individuals, carrying on their work with the means of production in common, in which the labour-power of all the different individuals is consciously applied as the combined labour-power of the community ... The total product of our community is a social product. One portion serves as fresh means of production and remains social. But another portion is consumed by the members as means of subsistence. A distribution of this portion amongst them is consequently necessary. The mode of this distribution will vary with the productive organisation of the community, and the degree of historical development attained by the producers. We will assume, but merely for the sake of parallel with the production of commodities, that the share of each individual producer in the means of subsistence is determined by his labour-time. Labour-time would, in that case, play a double part. Its apportionment in accordance with a definite social plan maintains the proper proportion between the different kinds of work to be done and the various wants of the community. On the other hand, it also serves as a measure of the portion of the common labour borne by each individual, and of his share in the part of the total product destined for individual consumption. The social relations of the individual producers, with regard both to their labour and to its products, are in this case perfectly simple and intelligible, and that with regard not only to production but also to distribution. Capital-V:1–78.

19.3.3 Marxists on Abundance

Carchedi and Roberts (2023) are clear that only after abundance is achieved can the *from-ability-need* principle apply. This entails an end to the dominance of the law of value, leading to a situation of plentiful sufficiency of goods and services, with only a diminishing minority of them being traded on the market for money. The communist aim is the elimination of the law of value creating a post-scarcity economic sub-structure. The *ability-need* principle is much more than charity looking after people unable to fend for themselves as Schaff (2001:4) argues. Nor is it free

distribution of goods and services as Busky (2000:4) says, since citizens are expected to contribute to their ability. Carens (2003) wrongly argues it is a moral principle and Gilabert (2015) wrongly suggests the principle is one of solidarity, fair reciprocity and recognition. These moral categories only become relevant upon reaching communism: as (a) rounded citizens, (b) sustainable economic abundance and (c) mutually beneficial friendly relationships with other economies.

Bastani (2020) conjures a vision of extraordinary hope, showing how we move to energy abundance, feed a world of 9 billion, overcome work, transcend the limits of biology and establish meaningful freedom for everyone. Rather than a final destination, such a society heralds the real beginning of history, collective wealth shared in collective public services meeting needs: PV across society.

19.3.4 Marxist Abundance and Nature

Socially sustainable abundance presumes a sustainable relationship with nature, closing the metabolic rift capitalism creates. This concept is analysed in a massive body of excellent work, including (2020, 2022) and numerous articles in *Monthly Review*, which he edits. Mészáros (1995) also emphasises socialist sustainability, advocating for the end of alienation from our natural heritage, rejecting capitalism's negative externalities, and collaborating with developing countries to raise living standards by freely sharing technologies and partnering to help build modern public services. Cheng and Wang (2016) contrasts China's subjection of private capital to planning with the USSR marketisation that resulted in a 55% drop in GDP: instead the *unswerving* commitment of President Xi to the public sector continues to deliver around 5% GDP growth in China, heading towards his 2030 moderately well-off society and 2050 goal of a high-income *common prosperity* society (Tsang and Cheung 2024). The *Economist* (310,324) cites the Australian Policy Research Institute, a think-tank, that in a list of 64 'critical' technologies identified by the Australian Policy Research Institute, a think-tank, China leads the world in all but 11, based on its share of the most influential papers in the fields. The country is number one in 5G and 6G communications, as well as biomanufacturing, nano-manufacturing, additive manufacturing, AI and e-vehicles. It is also out in front in drones, radar, robotics and sonar, as well as post-quantum cryptography.

Saito (2017) wrongly argues that sustainability and supporting developing countries is only possible by de-growth in advanced countries, when growing a sustainable social surplus in developed counties provides surpluses that can be shared, envisioning the whole Earth as on natural and economic system.

Following a Malthusian path, Fricker (1999) argued that global ecological capacity of 2.1 hectare per person is already exceeded (2.8 ha) and that developed countries must take reductions in standard of living. This is a perversely pessimistic view. China has 1.4-billion population, 18% of humanity and with 9.6² km of land, only 9% arable, exporting US\$ 50-billion food and importing just over US\$ 100-billion (soybeans, corn, wheat, rice and dairy products). It is 95% self-sufficient.

Fricker and similar authors neglect technological advances in agriculture. The world has sufficient food, the problem is its distribution and waste. Each year the equivalent of 149-billion meals goes to waste in the USA alone (80-million tons); 38% of all food produced in the USA is wasted.

The socialist vision is of abundance, achieved using technology and new social relations of reproduction taking no more from nature than is sustainable.

19.3.5 Misunderstanding Abundance

It seems the poor are always with us, even after 300 years of capitalist advances, scarcity continues to be justified by bourgeois economists. Chase's (1934) early 19th to early 20thC comparison concluded that energy abundance has arrived but is squandered in unequal distribution. Some economists, Frase (2016) is an example, speculate what could be, ending up wasting words. Hoeschele's (2010) *Economics of Abundance* suggests a policy agenda including taxing non-renewables and non-cooperative businesses without explaining how it might ever be implemented. Nordhaus (2014) shows how the price of light has fallen exponentially, without accounting for why energy is so maldistributed socially. Liodakis' (1990) historical survey concludes that despite technology creating near-abundance of many commodities, capitalism is wedded to institutions contriving scarcity to create profit.

Mitchell et al. (2019) from an anti-Marxist perspective argue that socialism in Eastern Europe far from creating abundance destroyed productive potential. Taking Poland as their primary example their data suggests that prior to 1989 (capitalism restored) the average Pole had to work eighteen times the minutes as the west German worker to buy a comparable coffee or 13 times as long to buy a television. While interesting, no account is taken of the social wage, e.g., the free nurseries, education and healthcare in Poland relative to other countries. Mitchell et al. only compare traded commodities to conclude that shortages rather than abundance prevailed.

19.3.6 Abundance and Socialist States

China's case is explored in more detail in Chap. 20, concluding that it does have a route to material abundance, perhaps by 2100. China differs from the Soviets, China 1949 being closer to an economic revolution, while 1917 was a political and cultural revolution. China was not isolated, enjoying trade and technology transfer relations with advanced countries. Finally, China avoided the over-centralised planning that held back Soviet growth, also the destruction caused by fascist invasion.

Barber and Harrison (2000) and Kontorovich and Wein (2009) tell the familiar story, accepted by many on the left in Europe, that the Soviet Union would have progressed towards abundance had overbearing military expenditure not been

necessary to counter western inspired civil war, armed intervention until 1921, the rising Nazi threat and subsequent invasion and then the USA's cold war arms race.

- Mészáros (1971, 2010, and especially 1995) provides an alternative narrative in philosophical terms, emphasising that the collapse of the Soviet Union cannot be interpreted as evidence of the superiority of capitalism. Instead, as neoliberalism spread globally, the Soviet Union was exposed as the weakest trade link—a position largely resulting from a ruling clique suppressing democratic institutions and processes. There is much to agree with in this analysis, however it fails to explain the achievements of the Soviet Union: the sacrifice of 20 million lives turning the tide against Nazi fascism, the launch of Sputnik (1957), Yuri Gagarin (1961), etc.—accomplished only 40 years after a worker-peasant revolution in a backward country.
- Preobrazhensky's (1926) framework strongly explains the socialist transitional challenge of using socio-technological advances for primitive accumulation while gradually eroding the influence of the law of value. As part of the Left Opposition he saw the folly of SIOC at a time when the third International could have better supported revolutionary movements in advanced countries bringing the possibility of technology transfer, trade and more rapid erosion of the law of value. Like, many old Bolsheviks, he turned to excusing Stalin's forced collectivisation of agriculture and protectionist trade policies.

To summarise, we have no experience of a socialist society of abundance and hence the new rounded person's Marx envisages, the enlivened democracy or the accompanying social relations of reproduction; yet, his visions remain a powerful guide.

19.4 New Socialist Person

19.4.1 Marx's Dis-alienated Personhood

Marx regarded the dis-alienated new all-round, grounded person as representing the negation of capitalism: ending an artificial division of labour, living in the planned communist world of abundance. S/he draws no distinction between work and leisure, technology having automated the mind-numbing aspects of work, and s/he willingly exercises labour as a contribution to a society to which s/he is committed (*Grundrisse*, Notebook VII):

a higher phase of communist society" will arrive "after the productive forces have ... increased with the all-around development of the individual, and all the springs of co-operative wealth flow more abundantly.

What is wealth if not the absolute unfolding of man's creative abilities, without any precondition other than the preceding historic development, which makes the totality of this development—i.e. the development of all human powers as such, not as measured by any previously given yardstick—an end-in-itself. *Grundrisse* (MECW-28:412)

Marx goes on to contrast *childish world of antiquity* as in this sense superior.

... as soon as the distribution of labour comes into being, each man has a particular, exclusive sphere of activity, which is forced upon him, and from which he cannot escape. He is a hunter, a fisherman, a shepherd, or a critical critic, and must remain so if he does not want to lose his means of livelihood; whereas in communist society, where nobody has one sphere of activity but each can become accomplished in any branch he wishes, society regulates the general production and thus makes it possible for me to do one thing today and another tomorrow, to hunt in the morning, fish in the afternoon, rear cattle in the evening, criticise after dinner, just as I have a mind, without ever becoming a hunter, fisherman, shepherd, or critic. (MECW-28:47)

Although Marx's 1844 EPMs were not published (partially) in Russian until 1932, all the major figures in the revolution were aware of his argument that capitalism alienated humans from their essential nature and that communist abundance would recreate dis-alienated people: the all-round learning and socially-consciousness individual giving freely her/his labour to society, supported by technological advances, without any work/leisure distinction. In Soviet terms this was the project of building the New Soviet Man (noting the gendered language of the times). How did this project influence Soviet public services and how did remoulded public services reshape New Soviet Man as a social engineering project?

Capital (V-1:588) envisions a future society *in which the full and free development of every individual forms the ruling principle*. Marx had noted the tradition of collectivism in Russian villages. White (1979) highlights the challenge of transforming peasants into educated, active citizen—rounded individuals capable of helping to create abundance through participation in planning and the use of advanced technologies. For Marx, dis-alienation occurs only in a society of abundance.

While historically, utopians across the ages have promised a new man (think of Plato, More, Campanella and Nietzsche) in their cases this was idealist thinking without material grounding. For the Bolsheviks, the New Soviet Man was a material project into which every school and Soviet institutions was enrolled. Lenin instituted a programme of New Soviet person teaching in schools, in which major thinkers such as Lev Vygotsky enrolled. For Lenin (1920 *From the Destruction of the Old Social System to the Creation of the New*) ...*To achieve big things we must start with little things*. This is a world of public service offering education, employment, housing, care, leisure for everyone: common prosperity in a sustainable healthy natural environment.

Feminists Kollontai and Armand formed the Zhenotdel recruiting women for re-education in social roles challenging Tsarist patriarchy, holding women-only assemblies; by 1927, it had 620,000 members. Kollontai's (1919) *New Woman* resulted from liberation through work, earning an independent income and making her own sexual and relationship choices.

19.4.2 *New Person Pedagogy*

Creating the new Soviet man excited the Soviet Union's best scientists. Lev Vygotsky aimed to provide the pedagogy Soviet citizens needed to embrace the new Soviet person future, bringing a dialectical perspective to pedagogy and is now cited by progressive educationalists across the world (1928, 1934). Rejecting Piaget's phases theory of child development, he argued that throughout childhood social learning of frameworks, metaphors and most importantly language provides the theoretical frames used later in life to make sense of new information and experiences, referencing previous learning and emotional attachments. He designed curricula, toys, investigative techniques for children with learning difficulties showing all oriented towards his vision of the new Soviet person (1930), which he linked explicitly to Marx's ideas of dis-alienating the essentially curious, learning individuality suppressed by capitalism. Vygotsky's pedagogy aimed to release the new person recognition self-awareness and self-esteem envisaged by Lenin and the Bolshevik leaders. Favouring the Left Opposition he was side-lined, escaping the purges with an early death aged only 37.

Evald Ilyenkov is one of the foremost materialist philosophers of the twentieth century. He championed Vygotsky's psychology in an unending quest to root out idealist ideas and concepts from Soviet thought. Applying a dialectical framework to policy and political discourse, his life's work revolved around creating the new Soviet person, a deep-thinking inquisitive individual in circumstances where the state only slowly (if at all) was withering away. Part of Ilyenkov's explanation for the slow withering was an idealist dependency on scientific advance without accompanying advance of individual citizens: his was a world of critique, sharply clashing ideas, grounded always in material reality. His criticism of fetishised science and work around the new Soviet man brought him recognition and awards but restriction and censorship at home; a casualty of Stalinist thinking.

Lenin supported (see Chap. 3) Lunacharskii's *zapovedniki* (environmental improvement areas) and *zakazniki* (natural experience parks), totalling seven million hectares of protected landscapes that brought multiple species back from extinction. Weiner (1995) describes this in detail, and it is further analysed in Foster's (2021) scientific work on the metabolic rift. Vernadskii's geo-chemistry research on the concept of the biosphere and Stanchinskii's mathematical modelling on energy flow and trophic levels in ecosystems stand out. Sadly, both were victims of Stalin's purges and many of the nature parks dismantled, often for mining.

Migrating to a society of rounded persons is a multi-generational project, and undoubtedly, people will change at differential paces, potentially challenging the tolerance of those already changed.

19.4.3 Soviet New Personhood

While Soviet Union reached GDP parity with the USA in the late 1980s, it was spending up to a third of its budget on military with its bureaucratic, centralised planning system suppressing innovation at a time when USA entering ICT age. At 19-m members, the CPSU never had the deep roots of the Chinese Communist Party and was held back by lauding physical Stakhanov's digging 102 tonnes coal, defended pseudo-science (Lysenko), Greatest scientists suppressed Vernadskii and Lunacharskii shot, Vygotsky and Ilyenkov sacked and only proletarian art celebrated. Stalin imposed collective houses (*dom-kommuny*, Vujosevic 2017) and politically repressed innovation.

Focused on physical infrastructure: By 1971, the USSR is said to have 133,000 clubs, 128,600 public libraries, 553 theatres, 1173 museums and 157,100 cinemas, five-million public lectures, 440,000 interest circles, and 16,000 universities, the wonders of the Moscow subway (1935) a centrepiece (Bergman 1998), especially Mayakovskaya's aviators. For Stalin *technology decides everything*.

Heller (1988) describes Stakhanov's new man as a cog in a wheel—quite the opposite of Marx's dis-alienated, rounded person. Some loosening occurred following Khrushchev's (1956) speech denouncing Stalin, Zubkova (1998) says, what Halfin (2000) describes as less passivity, for example Valentina Leont'eva's weekly TV show encouraged an emotionally expressive way of life. This did not extend to the Hungarian Imre Nagy's liberalisation being met with tanks and machine guns.

Soviet New Persons

With the Soviet economy growing at approximately 5%, Khrushchev invested heavily in science and technology, particularly in maths, astronomy and physics (Sheeham 1985). This included establishing 250 research institutes with 60,000 full-time researchers, which contributed to the creation of the atomic and hydrogen bombs. In the 1960s Soviet space science outpaced the USA. As Siddiqui (2000) and Raleigh (2006) recall: the first Sputnik, first man's flight, first woman's flight, the first multicrew mission, and the first space-walk.

The apogee of Soviet achievement was Yuri Gagarin's Vosto-1 orbiting the Earth on 12 April 1961, to the world's amazement—Walker (2021) displays the photograph of a glum USA President Kennedy watching on television. Gagarin epitomised the New Soviet Man: handsome, brave, learned. A pin-up superstar, according to Pravda, *he is a real, living, flesh-and-blood new man, who demonstrates in action all the invaluable qualities of the Soviet character, which Lenin's Party has been cultivating for decades*. A war-child, turned out of his home by Nazis who hanged his brother, lived the war years in a dugout and, as a Slav, was deprived of schooling. Gagarin personified the New Soviet Man, a pop-star equivalent living icon, who as a delegate to the 22nd Congress of the CCCP pronounced a moral code: honesty, sincerity, moral purity, modesty and conscientious work. Yet others could not

emulate Gagarin, like his statue in Moscow, he stood above others in his achievement. Stalinist Russia's New Soviet Man was like a star in the sky he ascended to, to be reached for but never grasped. For the ordinary Soviet citizen, the drudgery of un-reformed work systems and unattractive consumer goods was the everyday.

Down to Earth after Gagarin

At the Twenty Fifth CPSU Congress in 1976, Brezhnev defined the 'socialist way of life' in non-materialist, ethical and emotional terms as *an atmosphere of genuine collectivism and comradeship, solidarity, the friendship of all the nations and peoples of our country, which grows stronger from day to day, and moral health which makes us strong and steadfast*. He then suppressed Dubček's socialism with a human face in Czechoslovakia (1968) and fought with China at the Ussuri River (1969).

Soviet bureaucratic, centralised planning held back progress, while the USA raced into the ICT era. As Troy (1984) says, by Gorbachev (who some regard as a traitor) the money wage superseded the social wage, with consumerism overtaking working for the common good. Following an abortive coup, Yeltsin, a stooge for international capitalism, dug the grave of 1917. Without democracy, planning failed, young Soviet workers lost self-esteem and conviction that abundance was achievable (given black-market ubiquity and corrupt public services), gave up on the Soviet dream. They looked in the mirror and saw no new Soviet person reflecting. Turning back to Fig. 19.1, without democracy planning failed as did achieving abundance.

In summary, China's planning framework continues to guide both public and private sector economic activity, with both local entrepreneurship and import of advanced technologies supporting high levels of productivity. China avoided contagion from the Soviet meltdown and the 2008 crash (Ang 2017). Chapter 20 investigates further its use of public services in rising living standards.

19.5 Conclusions

The interplay between planning, democracy and abundance illustrates the depth of social renewal and change need to create Marx's rounded persons a journey North Korea, Vietnam Laos, Cuba have begun. We return to China for a fuller discussion in Chap. 20. As is often said in European socialist circles: while we have China we have hope.

Our discussion confirms that Hayek and von Mises were wrong to conclude that socialist planning is less efficient than socialist planning. Evidence from socialist states shows that today's computing power replaces price signalling and support from AI capability enhances democratic planning, allowing input from a wide range of active citizens supporting the release of technology's productive potential.

For Marx, late-socialism creates the productivity foundation for abundant goods and services realising *to each according to their need* burying scarcity. Abundance is reached more quickly if a rational division of labour between an alliance of friendly state boosts production. Centrally embedded in abundance is sustainable production ceasing to deplete nature of what can be sustainably taken.

Marx speaks of the rounded person in the era of abundance: humans released from exploitation and oppression, de-alienated and able to spend their time, energy and emotions progressing human culture and working by choice for social benefit. Young peoples' education and learning supports this new socialist personhood.

Here we see Marx's holistic framework at its apogee: democracy, planned control over technology, and the emergence of the new, rounded socialist person who dictates to technology and evolves science and culture in a progressive direction.

References

- Allende S (1939) *La Realidad Medico-Social Chilena*, Ministerio de Salubridad, OPrevisión y Asistencia Social, Santiago, Chile
- Ang YY (2017) *How China escaped the poverty trap*. Cornell University Press, London
- Barber J, Harrison M (eds) (2000) *The Soviet defence-industry complex from Stalin to Khrushchev*. Basingstoke. Macmillan
- Bastani A (2020) *Fully automated luxury communism*. Verso, London
- Beer S (1979) *The heart of enterprise*. Wiley, Chichester
- Bergman J (1998) Valerii Chkalov: Soviet Pilot as New Soviet Man. *J Contemp Hist* 33:135–152
- Bukharin (2015). <https://www.marxists.org/glossary/people/b/u.htm#bukharin-nikolai>
- Busky DF (2000) *Democratic socialism: a global survey*. Praeger, New York. ISBN 978-0275968861
- Campbell AL (2004) Planning in Cuba today. *Int J Polit Econ* 34(4) Winter 2004–5:65–83
- Carchedi G, Roberts M (2023) *Capitalism in the twenty-first century – through the prism of value*. Pluto Press, London
- Carens J (2003) An interpretation of the socialist principle of distribution. *Soc Philos Policy* 1:145–177. <https://doi.org/10.1017/S0265052503201072>. S2CID 145468454
- Carothers C (2022) The rise and fall of anti-corruption in North Korea. *J East Asian Stud* 22:147–168
- Cave M, Hare P (1981) Indicative planning in France. In: Cave M, Hare P (eds) *Alternative approaches to economic planning*. Springer, London, pp 116–133
- Chase S (1934) *The economy of abundance*. Macmillan, London
- Cheng E, Wang G (2016) Comments on Current Exploitation Theory and Reality. *Research on Mao Zedong and Deng Xiaoping's Theory* 6:118–122
- Cheng E, Wang G, Zhu K (2019) *The creation of value by living labour – a normative and empirical study, vol-1*. Canut, Berlin
- Cockshott WP, Cottrell A (1993) *Towards a new socialism*. Russell Press, Nottingham
- Cottrell A, Cockshott WP (2018) *Calculation, complexity and planning: the socialist calculation debate once again*. Penguin, London
- Dobb M (1935) Economic theory and socialist economy: a reply. *Rev Econ Stud* 2(2):144–151
- Enserink B, Koppenjan J (2007) *Public participation in China: sustainable urbanization and governance*
- Faludi A (1973) *Planning theory*. Pergamon, Oxford
- Fforde A (2019) *From plan to market – the economic transition in Vietnam*. Taylor and Francis, London

- Foster JB, Clark B (2021) The capitalinian: the first geological age of the anthropocene. *Mon Rev* 73(4):1–16
- Frank AF (2000) *The development of underdevelopment*. Routledge, London
- Frase P (2016) *Four futures: visions of the world after capitalism*. Verso, New York
- Freeman C (1988) Japan: a new national system of innovation. In Dosi G, Freeman C, Nelson R, Silverberg G, and Sote L, Pinter, London
- Fricker A (1999) Economies of abundance. *Futures* 31¾:271–280
- Gabriel J (1995) *Pinochet's economists: The Chicago School of economics in Chile*. CUP, Cambridge
- Gilabert P (2015) The socialist principle 'from each according to their abilities, to each according to their needs'. *J Soc Philos* 46(2):197–225. <https://doi.org/10.1111/josp.12096>
- Halfin I (2000) *From darkness to light: class, consciousness, and salvation in revolutionary Russia*. Pittsburgh
- Hammersley M (2021) Planning versus market: the dispute between Hayek and Mannheim and its contemporary relevance. *Br J Sociol* 72(5):1464–1478
- Heller M (1988) *Cogs in the Soviet Wheel: the formation of soviet man*, XX, London
- Hoeschele W (2010) Measuring abundance: the case of Cittaslow's attempts to support better quality of life. *Int J Green Econ* 4(1):63–81
- Hume D (1739/2007) *A treatise on human nature*. Clarendon Press, Oxford
- Kantorovich LV (1939) *Mathematical methods of organising and planning production, management science*, Publication House, Leningrad University, Leningrad, Russia
- Kautsky K (1903) *The social revolution*. www.marxists.org/archive/kautsky/1902/socrev/pt1-3.htm available at (accessed 121223)
- Kernbj R (2022) *The secret history of the five eyes*. Blink, London
- Keynes JM (1930) *Economic possibilities for our grandchildren*
- Keynes JM (1936) *General theory*. CUP, Cambridge
- Khrushchev (1956) Secret Speech: <https://www.marxists.org/archive/khrushchev/1956/02/24.htm>
- Kollontai A (1919/1984) *What are we fighting for?*, Alexandra Kollontai: selected articles and speeches. Progress, London
- Kontorovich V, Wein A (2009) What did the Soviet rulers maximise? *Eur Asia Stud* 61(9):1579–1601
- Lange O (1938) On the economic theory of socialism. In: Lippincott B (ed) *On the economic theory of socialism*. University of Minnesota Press, Minneapolis
- Lange O (1958) The role of planning in socialist economy. *Indian Econ Rev* 4(2):1–15
- Lankov A et al (2017) North Korea's new capitalists and their workers: business practice and labour relations. *Communis Post-Commun* 50(3):157–167
- Lee K-F (2018) *AI Super-powers: China, Silicon Valley and the New World Order*, Houghton, Mifflin, Harcourt, Boston
- Lenin VI (1920) *The Tasks of the Youth Leagues*, V–XXX
- Lestrelin G, Castella JC, Bourgoin J (2012) Territorialising sustainable development: the politics of land-use planning in Laos. *J Contemp Asia* 42(4):581–602
- Levy DM, Peart SJ (2016) Socialist calculation debate. *The New Palgrave Dictionary of Economics*, 1–10
- Liodakis G (1990) An exploration of scarcity in historical perspective. *Sci Soc* 80(2):221–247
- Mai TTV (2008) Comprehensive planning: does it work? Experiences from Vietnam. *JOAAG* 3(2)
- Marglin SA, Schor JBN (1992) *The golden age of capitalism: reinterpreting the postwar experience*. Oxford University Press, Oxford
- Martín JL (2002) La cultura del trabajo en Cuba ante el perfeccionamiento empresarial [The Culture and Labour in Cuba Facing the Process of Enterprise Movement]. *Temas* 30(July–September):42–55
- Mazzucato M (2013) *The Entrepreneurial State: debunking public vs private sector myths*. Anthem Press, London

- Menon J, Athukorala P, Bhandari S (2006) Foreign direct investment in the Mekong Region. Asian Development Bank, Manila
- Mészáros I (1971) The necessity of social control. Merlin Press, London
- Mészáros I (1995) Beyond capital – towards a theory of transition. Merlin Press, London
- Mészáros I (2010) The structural crisis of capital. Monthly Review Press, New York
- von Mises L (1960) Epistemological problems of economics. Van Nostrand, London
- Mitchell W, Wray LR, Watts M (2019) Macroeconomics. Macmillan International, London
- Noland M (2006) Transition from the bottom-up: institutional change in North Korea. *Comp Econ Stud* 48(2):195–212
- Nordhaus W (2014) Estimates of the social cost of carbon: concepts and results from the DICE-2013R model and alternative approaches. *J Assoc Environ Resour Econ* 1(1/2):273–312
- Phillips L, Rozworski M (2019) People's Republic of Walmart – How the world's biggest corporations are laying the foundations for socialism. Verso, London
- Phimphanthavong H (2012) Economic reform and regional development of Laos. *Mod Econ* 3:2. <https://doi.org/10.4236/me.2012.32025>
- Preobrazhensky E (1926, 1965) The new economics (2nd ed), Clarendon Press, Oxford
- Pucher J (1990) Capitalism, socialism, and urban transportation: policies and travel behaviour in the east and west. *J Am Plan Assoc* 56(3):278–296
- Raleigh DR (ed) (2006) Russia's Sputnik generation: Soviet baby boomers talk about their lives, Bloomington, Indiana
- Robbins LC (1935) An essay on the nature and significance of economic science, 2nd edn. Macmillan, London
- Saito K (2017) Karl Marx's eco-socialism. MR Press, New York
- Schaff K (2001) Philosophy and the problems of work: a reader. Rowman and Littlefield, Lanham, MD. ISBN 978-0-7425-0795-1
- Shan C, Yai T (2010) Public involvement requirements for infrastructure planning in China. *Habitat Int* 35(1):158–166
- Sharifi A, Chiba Y, Okamoto K, Yokoyama S, Murayama A (2014) Can master planning control and regulate urban growth in Vientiane, Laos? *Landsc Urban Plan* 131:1–13
- Sheeham H (1985) Marxism and the philosophy of science – a critical history. Verso, London
- Siddiqi AA (2000) Challenge to Apollo: The Soviet Union and the Space Race, 1945–1974. XXX, Washington, DC
- Skidelsky R (2009) Keynes: the return of the master. Allen Lane, London
- Slobodian Q (2018) Globalists – the end of empire and the birth of neoliberalism. Harvard University Press, MA
- Sochor ZA (1988) Revolution and culture: the Bogdanov-Lenin controversy. Cornell University Press
- Spufford F (2010) Red Plenty. Faber and Faber, New York
- Sraffa P (1973) Production of commodities by means of commodities. CUP, Cambridge
- Steedman I, Ricardo, Marx, Sraffa, in Steedman et al (1981) The value controversy, Verso, London, pp 11–19
- Stiglitz G (1994) Wither socialism. MIT Press, Cambridge, MA
- Suhardiman D, Keovilignavong O, Kenney-Lazar M (2019) The territorial politics of land use planning in Laos. *Land Use Policy* 83:346–356
- Tisch C (1932) Wirtschaftsrechnung und Verteilung im zentralistisch organisierten sozialistischen Gemeinwesen. Scheschinski, Wuppertal-Elberfeld
- Troy E (1984) (part-1) 1992, (part-2) The social wage. Crabtree Press, Hove
- Vine D (2015) Base nation how US Military bases abroad harm America and the world. Metropolitan, New York
- Vo NT (1990) Vietnam's economic policy since 1975. Institute of Southeast Asian
- Vujosevic T (2017) Modernisation and the making of New Soviet Man, Manchester University Press, Manchester. Sweeping history but without relating deeply to Marx's theory

- Walker S (2021) *Beyond – the astonishing story of the first human to leave our planet and journey into space*. Collins, London
- Ward JS, Barker A (2019) Undefined by data: a survey of big data definitions. arXiv preprint arXiv:1309.5821
- Warr P, Menon J, Yusuf A (2012) Poverty impacts of government expenditure. *J Asian Econ* 23:442–453
- Weiner JB (ed) (1995) *Risk versus risk: trade-offs in protecting health and the environment*. Harvard University Press, Cambridge, MA
- Wendling AE (2003) Karl Marx on technology and alienation. Palgrave Macmillan, London
- White S (1979) The making of new soviet man. In: *Political culture and soviet politics*, pp 64–83
- Xu Z (2024) Industrial agriculture: lessons from North Korea. *Mon Rev* 75(10):30–47
- Zubkova E (1998) Turning to the individual: the paths from above and from below. In: *Russia after the War: hopes, illusions, and disappointments*, Armonk, NY, pp 1945–1957

Chapter 20

Marxism and Public Services



Abstract Our journey's end chapter returns to the three aims of the book, arguing: (a) has the usefulness of Marx's dialectical method, concepts and framework for public service problem-solving and strategy-making been established? (b) has Marx's labour theory of value been shown to be a valid explanation for how value is created, particularly use-value and public-value and (c) are transition routes to socialism, featuring public services as both an end and a means, demonstrated as possible and desirable? Analysing public services as value-forms with value-flows helps justify providing public service use-values as opposed to market-mediated, for-profit exchange-values (the goal of neoliberal privatisers). If democratically planned, this approach also avoids anticipated capitalist crises and the accompanying miseries. New public management is shown to be the *management of discontent*—spearheading the neoliberal attack on public services when public service expansion is essential to avoid the environmental disasters and immiseration towards which capitalism is heading. The book closes by asking if it is possible to create a new humanity, a new way of relating to each other in which public services play an important role.

20.1 Introduction

Capitalism is a world system, a system without a central controller, Basu (2023) says an out-of-control logic of accumulation. Part of the mission of socialism is to bring production under human control, allowing active citizens to decide what needs to fill, what to produce and how. Since Marx's day the state, while continuing to be an instrument of the bourgeoisie under pressure from the labour movement, has greatly expanded the scale and scope of public services and welfare transfer payments. Even the USA state, preaching against socialism, the state spends 25% of GDP, 35% in many developing countries and often over 40% in Europe. Marx did not have the opportunity to analyse these trends, hence, this book has evolved some of his concepts.

As we reach our journey end, reflection on the three aims we started with is appropriate: (a) illustrating the usefulness of Marx and Marxism for analysing and understanding the dynamics of public services, including public services as use-values (UVs) taking the form of wealth that solves citizens' problems and becoming public-value (PV); (b) persuading readers of the validity of Marx's core concepts the labour theory of value (LTV), dialectics, materialism as forming an alternative world view to neoliberalism and new public management (NPM) and (c) by exploring transitions and the role played by public services highlighting the transitory nature of capitalism.

By summarising and integrating the arguments in the book, this chapter argues these aims have been achieved. In doing so the three objectives have been met: re-learning Marx's method through the lens of public services, creating an alternative Marxist toolkit for understanding public services and profiling the Marxist approach as a coherent, critical alternative to neoliberal ideas, especially NPM and post-capitalism theory.

Section 20.2, referencing the first aim, summarises how, using value-flow concepts and analysis, Marx's concept of use-value (UV) has been expanded to mean wealth solving problems created and distribution without market or money mediation. Official public services, households, the third-sector (3S) and some public-private partnerships (PPPs) being the source of UVs in today's capitalism. It concludes the LTV remains an essential conceptual framework for understanding public services and crises in capitalism.

Addressing our second aim, the usefulness of Marx's method for analysing public services and the problems they address. Section 20.3 points out the usefulness of Marx's method, using dialectics in problem-solving and understanding change in both nature and social affairs. Marx's humanism and the centrality of people as change agents leads to discussion on the essential nature of people and the *rounded* dis-alienated person transiting from early-socialism to abundance.

Sections 20.4 and 20.5 summarise the contribution on public services in transitioning from capitalism to socialism (aim-3) in developed and developing countries. Section 20.5 notes that since production is now globally socialised, all countries can skip Marx's bourgeois-democratic phase and transition to early-socialism. Bringing together arguments around how the working-class can rearm and rebuilt following the neoliberal attack on public services and working-class organisations, Sect. 20.6 summarises the critique of identity and post-modernist perspective on social change, instead arguing that fighting around materialist public services is key to rebuilding. We also revisit today's socialist states, taking China as an example, pointing out areas of successful transition.

20.2 Value-Flows and Public Services

20.2.1 What Is Wealth?

Marx was a classical scholar and although denying that Aristotle had a theory of value, he regarded him as the *greatest thinker in antiquity* (*Capital-V-1:69*) and knew Aristotle's distinction between use-value and exchange-value (*Politics*, Book-1, Chap. 9): the shoe that can be worn (UV) or sold (EV). Marx would have been impressed by Aristotle and the Stoic notion that *Wealth is not the good, but a means to the good* (*Nicomachean Ethics* 1.9.11) *using things rather than in possessing them*; wealth as enabling *Eudaimonia*, a good life (purposeful and virtuous). Both Smith (1970:13) and Ricardo (1821:5) also acknowledged the UV/EV distinction although neither reached Marx's conclusion that (money) wealth created by workers in EVs is expropriated by capitalists.

Wealth helps solve life's problems (food, shelter, relationships). Unlike animals, human cognitive ability (including emotions) allows conceptualising what use-values (UVs) can be created from the free gifts of nature (natural artefacts) to solve problems. Wealth arises from human labour adding value to nature's gifts; value being created from human labour and nature. UV wealth implies consumption: *Use-values become a reality only by use or consumption: they also constitute the substance of all wealth, whatever may be the social form of that wealth. Capital-V-1:36* and (V-1:30) he says, *Use-values become a reality only by use or consumption: they also constitute the substance of all wealth, whatever may be the social form of that wealth. In the form of society we are about to consider, they are, in addition, the material depositories of exchange-value.*

20.2.2 Use-Value and Value Creating Human Labour

Marx says (*Preface*, 1859) that UV is *necessary, useful or pleasant in life* an object of human wants, a means of existence in the widest sense of the term. ... *Although use-values serve social needs and therefore exist within the social framework, they do not express the social relations of production. Use-value as such, since it is independent of the determinate economic form, lies outside the sphere of investigation of political economy.*

Marx is highly critical of utilitarian economics saying (*Capital*, V-1:30) *The utility of a thing makes it a use-value. But this utility is not a thing of air. Being limited by the physical properties of the commodity, it has no existence apart from that commodity.* His criticisms of the concept utility, as McNeill (2021) says, are (a) it rejects the labour theory of value, which asserts that labour (and nature) are the only sources of value. For utilitarians, price is not determined by labour value; (b) utility assessments, such as marginal utility, are generalised abstractions, whereas for Marx, UV

is a specific solution to a problem and (c) for utilitarians, utility is purely subjective, lacking objective metrics, such as labour hours.

Some modern Marxists confuse UV. Sweezy (1946:26) says UV *lies outside the sphere of investigation of political economy*, when every commodity has UV and (as this book argues) UV are now a major source of value, including PV. Albritton and Simoulidis (2003) says capitalists are indifferent to utility, when without some use, no EV commodity would be bought. Harvey (2017) wrongly suggests the UV and EV conflict when the conflict is between their circulation and exchange, in short the capitalist nature of EVs.

20.2.3 *Use-Values as Mode of Consumption*

The capitalist organises and funds the production of UVs intent on converting them into EVs, i.e. sold on the market, crystallising for the capitalist in money-form the SV embodied in the commodity; being the value created by employed labour but not paid in wages. Constant capital is also replenished, though natural capital may be left despoiled. Marx (V-1:176) says, there is *Only one value-form: the price-form since value and exchange are inseparable*. Since capitalists are intent on profit they do not create UVs intended for consumption, without sale, i.e. free wealth distribution. This book has argued that free UVs, wealth solving problems are created by state public services, households, the third-sector (3S) and some not-for-profit public-private partnerships. UVs are products created and intended for consumption: without the immanence of market exposure of EVs. These are social choices, the same product, e.g. care services could be provided as a state, family or 3S UV or alternatively as a for-profit EV. Capitalism pulls products into the for-profit sphere, an aim of new public management (NPM) in relation to public services. Value is only a created in production not in circulation or exchange, gaining (abstract) labour value by the amount of (concrete) labour used in production. The value of labour, as with all commodities is determined by labour to produce. Thus, UVs for market must be produced at average productivity SNLT (as Marx clarified in Notes on Adolph Wagner (1879); MECW-24:550).

Note that EVs recycle value into future rounds of profit-seeking production, whereas the value created by UVs is consumed, Marx says *falls out of circulation into consumption*. UVs do not directly create profit; however, many UVs (general social reproduction) are essential if capitalism is to create profit, they enable profit making. Only those commodities creating profit for capitalism are defined as *productive labour* for capitalism and by Marx. Many UVs are services, always have some tangible element and are never completely intangible. Services are mainly consumed proximate to the point of creation (think of education and healthcare). Public service UVs are created by social capital. Any surplus generated is added to social capital and is not refluxed into for-profit (money-form) capitalist capital-in-motion, which is exploitative capital. The Marxist view is that production by humans

should be for human needs, not for profit; Heller (1974:165) says *money is the pimp standing between a system meeting needs and one out of control, suiting profit*.

20.2.4 UVs Not Capitalist Commodities

Marx says (V-1:50) that *Commodities are use-values that have prices*; strictly speaking, UVs are products and EVs commodities. Public service UVs are not commodities. UVs are not exchangeable, although embodying labour value, UVs are not converted into having an abstract value and money-form price, they are not universally exchangeable; UVs solve a particular problem (in context and culture). For public service UV product creation, labour-power is not hired and directed by a capitalism, the output of UV labour cannot be SV and profit: this labour is not subject to SV creation and exploitation. Since there is no exploitative capital, labour in UVs is not (directly) sublated to capital or formally subsumed into capitalism discipline, though NPM seeks to achieve this. Instead of M-C-M¹ UVs have no accumulation cycle: the UV cycle is product-consumed-product. Whereas Carchedi (2005:164) says UVs being only concrete (not abstract) labour have no value, in fact they have use-value that cumulates into PV. He is correct, consumed UVs have no market or EV. Similarly, when Marx says abstract value contains *not an atom of matter*, this might be qualified to note that concrete, material UVs contain non-exchangeable labour value.

Commodities use accumulated value from dead labour (constant capital) and knowledge from dead labour (technology) to exploit living labour, this knowledge is the *social brain* or *general intellect* for which individual capitalists do not pay. UVs too draw on the social brain and in many instances (think surgery, armed forces) deploy advanced technologies, public services continue to pay for and generate new knowledge in the form of university basic research. EV labour time is measured at average productivity SNLT while UV labour time can also be measured at SNLT, though not at average productivity since they are not exposed to market competition and may have quality parameters including in productivity. Actual labour practice may be the same for EVs and UVs, it is the value-flows that differ, however, where democratically planned and designed (including service users) labour processes for UVs should be dis-alienating. The form of EV alters from UV into money-form, capital-form, commodity form, the form of UV. UV productivity can be assessed qualitatively (Chap. 2) by charting the valueS-to-value (Vs2V) relationship and objectively using imputed costs.

20.2.5 *Labour Processes*

Throughout *Capital* Marx emphasises how forms alter: abstract and concrete form of labour, money-as-money and in capital and commodity form, UV-form and EV-form. As a whole labour processes alter the form of natural artefacts into tools, goods or services that solve human problems, often also altering content. UVs always take a concrete form (not necessarily tangible or physical), concrete meaning observable, not abstract: what you see is what you get. Labour in public service UVs, while using the knowledge of past generations (the social brain), interacts with money-capital but not the exploitative capital that features as constant capital in EV production. Hence, UV knowledge and product may be advanced (think of Linux software or keyhole surgery). There is no market exchange of UVs, neither is there a circulation of capital as for EVs since the UV is consumed not recycled in non-productive consumption (non-productive not being a moral judgement but meaning not producing capitalist profit). EVs have an M-C-M' cycle, i.e. different from UVs. Nor do UVs have the pre-capitalist C-M-C cycle (no commodity is created) and instead a product-consumption-wages/taxes-consumption-product cycle: public service workers are paid from taxes, buy and eat food, and returning to work pay taxes. EVs sell in part because of fetishism, i.e. citizens as consumers disconnected from their own product and product of others attach non-labour value prices to commodities, what Best (2024) calls a *perceptual physics* that *obfuscates reality*. Marx says (*Grundrisse* 1973:687) that fetishism *imputes social relations to things as inherent characteristics, and thus mystifies them*. UV are distributed by non-market, non-money means, illustrated by the planned distribution of public services. UV may not be fetishised, especially if workers and users plan their production, they avoid the *dissociated sociality* of alienating capitalism labour processes—the formal subsumption of workers. Planless production characterises capitalism: production for profit does not need, supported by the expansion of credit-money sometime wholly disconnect from production.

Husdis (2020) notes that socialism marks the end of market-based, fetishised relationships. Markets, money and irrational production will wither away along with the state, and the law of value will gradually cease to operate. Unlike many commentators who highlight from Marx's comments on a socialist future planning and democracy, Hudis instead focuses on the point-of-production drawing attention to Marx (*Capital-III*:740, for example) focusing on cooperatives, pointing out their appropriateness for rural and urban production and often close links with surrounding communities.

In sum, Wealth solves problems and can be produced for market and profit or as a public service UV, the utility of which arises from labour working on natural artefacts to create tools, goods or services not produced or distribution by market means

and as services proximately consumed. Public service UVs demonstrate here and how economies could operate without capitalist markets and when democratically planned by workers and citizens how social needs could be met instead of capitalist production for profit.

20.2.6 *Use-Values, Exchange-Values and Public-Value*

Public service UVs being outside the market limit the extent to which for-profit production occurs. This is why neoliberal NPM privatises—to bring non-profit (free public services) into the for-profit (paid-for) sector, from which they can generate profits.

It is not possible to simply extend the public sector and thereby abolish capitalism for two reasons. Firstly, capitalism will fight back. An onion can be peeled layer by layer, but a tiger cannot be taken apart claw by claw. Capitalism may mobilise a violent fight-back to retain its ability to generate profit for the wealthy, as it has done in the past. Therefore, socialists need to control (and later reduce and wither away) the coercive powers of the state, i.e. replace the dictatorship of the bourgeoisie with a dictatorship of the proletariat; one characterised by deep democratic processes. Secondly, socialism is not a top-down state: it is a society that features democratic structure in workplaces, communities and at regional and national level. Capturing state power is the first step to socialism, socialism is itself a stepping stone to communism, at which stage the state withers away. Statism therefore is not socialism. Socialism begins by abolishing private property and replacing capitalist control and ownership of the means of production, with socialist democracy and planning. Socialism requires the ability to reduce big capital control of society replacing it with democratic planning.

These arguments are premised on Marx's LTV—the idea that all value comes from labour working with the free gifts of nature. Capital cannot generate value since without labour nothing is produced. Nature (think of wood or minerals) cannot generate value without labour creating a UV that meets human need. Marx's insight reveals that capitalist employers pay labour the value needed to reproduce, leaving SV that the capitalist expropriates. In some instances capitalists can pay below the value of reproduction, for example in developing country sweatshops. Prices reflect labour value, though since some commodities have fetishised prices and labour value may diverge, nevertheless total value always equals total price. Cheng (2019) offer a mathematical proof of this so-called transformation problem showing that value-flow analysis dissolves the need to convert value into price. Damsma (2020) illustrates how Marx's value-flow can be mathematically modelled. *Capital*, Tombazos (2014) says, flits between historic time and logical time: between describing the reality of UVs and EVs and analysing their socio-economic roles.

Carchedi and Roberts (2023) note that as capitalism automates to force down prices and compete effectively, it employs less labour, thereby generating less value

and leads to a tendency for the rate of profit to fall, resulting in period crises. Public services avoid these processes; however, capitalist control of the state and economic policy enable NPM (including privatisation and contracting) to attack public services. While capitalist EV production faces credit and turnover cycle desynchronisation resulting from planless distribution, Tomba (2013) shows how production for use dismantles capitalist social relations heralding new forms of social organisation. In its final imperialist phase, capitalism exports capital and establishes trade links that expropriate value from developing countries. This frequently results in Pitts’ (2017) *broken society* and immiseration and imposition of NPM neoliberal policies constraining the growth of public services, such as health and education needed for balanced economic growth.

20.2.7 UVs Dominant Value

Figure 20.1 illustrates how by using market prices to estimate the market value of UVs created by the public sector, households, 3S and some PPPs, UVs may now be the dominant source of value production in the UK economy. This startling result, requiring much more research to become more than illustrative, shows how capitalism is outgrowing the capitalist institutions supporting private property and private accumulation. Put another way, the services in social relations of reproduction are shown to be of greater value than the GDP arising from capitalism social relations of production.

The official Office of National Statistics (ONS) in the UK compute household service UVs by referencing the market price of cooking (takeaway meals), cleaning services, childcare service all alternatively available on the market or freely

Indicative estimates of plausible UK GDP composition

Traded goods and services income	Untraded goods and services value estimates	Explanation
2,000		Projected GDP (likely to revise downwards as a result of virus lockdown)
1,800		Less 10% downward revision, allowing for virus lockdown
	-680	Public sector total spending at 34% of GDP
	-20	Voluntary sector 1% GDP contribution
	-1,260	Estimated value of household use-values (ONS estimates at 64% of GDP)
1,800	-1,960	Totals
90%	98%	Percentage of GDP as EVs and UVs

Note: All figures [£] billion and 2020 to 2021.

Fig. 20.1 Illustrative dominance of UVs in UK economy. (Source: Kinder and Stenvall (2021:334)

produced by household labour, largely women doing a double shift (rich women employing poorer women indicates prices). These capitalist women are part of a burdensome class living off worker's labour. Capitalist investment is increasingly not in production but instead finance capital in the form of equity buy-back (Lazonick and Shin 2020; Dore 2008) and destabilising derivatives of the sort leading to the 2008 crash (Carson 2024), money-making-money and adding to inequality, taking SV created in production as profit and as Carson (2024) argues, sharply illustrating how the capitalism mode of production has exhausted its potential.

This exercise emphasises the contribution to economic wellbeing made by UVs created and distributed by the public sector, households, 3S and some PPPs. This extends Marx's concept of UV (as a usefulness qualifier for EVs) created by labour working on the *free gifts of nature* challenging the ideology of capitalism that institutions should serve the needs of private capital.

20.2.8 *Neoliberalism in Public Sector*

The neoliberal project seeks to restore falling rates-of-profit which Carchedi and Roberts (2021) and Tapia (2023) have empirically established *are* falling. Neoliberal's strategy includes reducing taxation (and therefore public services), weaken working-class organisations to increase exploitation and to recapture for capitalism assets and activities in the mutuality (non-profit) sector by privatisation or capitalist contracting for what have been public services. PPPs and supply contracts are examples of outright privatisation of assets and functions. NPM spearheads these processes for neoliberals. Thus, NPM should not be seen as an exercise of austerity *balancing books*, or *more-from-less* or *efficiency* exercises, and instead as an onslaught by neoliberalism recapturing for capitalism gains made by the working-class in the form of public services, a destroyer of PV.

Neoliberalism harks back to the *laissez faire* 19thC small non-interventionist state featured in neoclassical economics. Ideologically neoliberals seek (non-state) market solutions to all issues favouring deregulation of commercial markets, removal barriers to international commodity and capital movements, low taxes, austerity and a small state achieved using privatisation, contracting or agentification and flexibilisation of labour, growing the industrial reserve army.

Since around 1973 in developed states income inequality has risen because of (a) rising returns to asset owners the result of low inflation with low interest rates, this is despite falling rates-of-profit and (b) mega-rewards (salaries, option, bonuses) paid to senior managers, (Duménil and Levy 1995). Using the strength of both state and market, neoliberalism has weakened working-class organisations and reconfigured labour processes in response to rising organic composition of capital (OCOC, automation), re/de-regulated markets and (NPM) transferred functions and assets from public services into the for-profit sector. By exporting capital, imperialist countries exact value-flows from developing states (Carchedi and Roberts 2021): unequal trade, currency seigniorage, etc. Fictitious capital investments (promises of

future value) in derivative products disconnected from the material economy, particularly natural capital investments—which, as Longo et al. (2015) find, are environmentally destructive—contribute to the instability that characterised the 2008 crash. Slobodian (2018) analyses how neoliberals gained control of the World Trade Organisation (WTO); they now have hegemony in the IMF, WB and UN (International Monetary Fund, World Bank and United Nations), excluding from influence most of humanity and using their public sector dominance in the interest of markets and the private sector (Wood 2006). Although Reagan and Thatcher epitomised NPM (termed monetarism), as Callinicos (1985) points out it transmogrified into third-way and austerity. Sassen (2015) conceptualises *upward delegation* by national politicians empowering international institutions to implement neoliberalism as *losing control*, the process of shifting responsibility for deregulation to ‘experts’ what Luttwak (1996) calls *central bankism* (see King 2021). Davidson et al. (2018) makes the point that taking advantage of social media, neoliberalism can extend the working day to always-on availability. Milanovic (2016) and Piketty (2020) document rising income and asset inequality. Wilkinson and Pickett (2018), citing Nordic economies, argue that more equal societies achieve higher growth. Similarly, Himanen and Castells (2002) conclude that Finland’s large state, high-tax model outperforms neoliberal countries in terms of GDP growth rates.

Chapter 12 highlighted how young people are paying a high price for neoliberalism’s success in mental health, homelessness and insecurity. As Bano (2024) argues, the generation facing high-rents, stagnant wages, Covid, high inflation, unaffordable homes, is taxed to pay for demographic change. Only in socialist countries can young people look to the future with confidence. Marxists call for investment in training and education, de-commodification of housing and expansion of mental health services.

Christophers (2018) found that in the UK since 1979 £400-billion public assets have been privatised, including 10% of the entire UK landmass and 2.5-million council homes (most of which are now resold and private rented). Most UK energy and water infrastructure is now foreign-owned, often also in developing countries. NPM also introduces quasi-markets such as doctors buying services from hospitals, train operators buying track-times from rail infrastructure companies and contracting and competitive tendering. In the UK a third of NHS (£180-billion annual) budget is now contracted out including cleaning, catering and medical services. Marxists support expansion of public services as steps towards socialism; noting that only a change in ownership of the means of production offers lasting social change.

In the public sector neoliberalism sails under the flag of new public management (NPM) insisting upon individual (market, paid-for) solutions to collective problems such as health, education and transport. Osborne and Grabler (1993) favour public services being entirely contracted out to the private sector. The nature of NPM is contested (Hood 1991), with Lapsley (2009) referring to the *cruellest cut*. As alternatives Kooiman and Jentoft (2009) emphasise networking, Grönroos (2017) managerialism, and Osborne (2010) pragmatic governances and public-value.

NPM, the attack tool for neoliberalism on public services has proven remarkably resilient as Lapsley and Miller (2024) note. This is partly because neoliberal ideology has been pervasive and unchallenged (Hood and Piotrowska 2024), by a weakened labour movement unable to counter the supposed ‘science’ behind managerialist techniques especially during periods of capitalist crisis (1998, 2008, 2015), partly value-flows from developing countries have exported some of the misery and partly as Ter Bogt (2024) argue because local democratic forums have been neutered. As expected no clear socialist alternative is presented by reformist parties. For capitalists, enjoying rising inequality and lower taxes, NPM has been a great success.

20.2.9 *Alternatives to New Public Management*

The alternatives to NPM are not its negation of its inefficiency ideology. UV production in early-phases of socialism is likely to face resource scarcity, since there will be many unmet needs, especially in areas such as childcare. Hence the urgency of productivity improvement, embracing innovative technologies, would allow saved resources to be redirected to the points of need. Socialists defend public sector jobs by building support for the quality of services not by counterposing jobs against services. Public sector Trade Unions should be in the forefront of modernisation and improvement as the best job security for their members and encourage craft pride in Sennett’s (2013) phrase, *doing the best job possible for the sake of it*.

Democratisation is central to improving services without relying on NPM market incentives. Denhardt and Denhardt’s (2000) new *public service* raises these ideas (see also Keast 2021). Democracy brings together those delivering and responsible for designing the public services and service users. Koskimies et al. (2023) show how with even the most technically-complex services, key decisions and choices can be sufficiently explained and understood to arrive at a shared best design.

Coproduction is not a viable generalisable model for public service delivery, as some coproduction arguments suggest (Brandsen and Pestoff 2006; Alford 2016). It faces criticism such as: (a) uneven service access and quality, and (b) privileging those users with time/capability to coproduce do-it-yourself. Also, (c) while democratisation moves encourages top-down meets bottom-up planning and service integration (as Preobrazhensky [1926:71] argued in the case of Soviet Russia) coproduction is only a micro-level strategy meaning (d) though democratisation is a school for the planned economy, coproduction is not suiting only small-scale services. Planning raises consciousness across socio-economic relations, coproduction is a personal privatisation, transferring costs from state to individuals. Planning generally overcomes wasteful competition favouring the highest impact from inputs: most major capitalist enterprises now plan their logistics and production to fine details (Cockshott and Cottrell 1997; Phillips and Rozworski 2019).

Learning is a key part of productivity increasing in transitioning to socialism. Successful technological change must be accompanied by change in social relations of reproduction, including training and education. This book emphasises learning as

imperative to socialist transition, including service design (Laitinen et al. 2017) and embedding values-to-value (Vs2V) in democratically planned new service models (Chap. 2). Vygotsky's (1934) social learning framework, and Ilyenkov's rooting out of idealist ideology are key tools (Blunden 2021), including raising the consciousness and commitment of workers to enhanced public services in the new socialist society. Planning of service design, production and distribution enhancing PV explains why socialist countries, such as China, can double their standard of living every thirteen years when capitalist societies take fifty years.

Public management is a hybrid discipline using a wide range of concepts to explore the management and delivery of public services. Some of this theorisation is openly managerialist examples being Grönroos and Ravalb (2011) and Kooiman (2003). Other strands of PM are positivist and subject to Ilyenkov's (2020) idealist critique.

The Marxist perspective on public services adopted here is that they are concessions extracted from capitalism as reforms (also benefiting certain sections of capital). As UVs, public services create PV, removing value-creating activities from market relations and placing them into non-money-mediated production and distribution thus denying capitalism of for-profit opportunities, in which democracy gives workers the skills necessary for socialist planning, and at their best, these services exemplify the benefits of a socialist society. Public services are then a collective answer to collective problems: childcare, healthcare, education and transport being examples.

Some third-way left communitarian strands in PM instead explore progressive individual responses to collective problems in the form of cocreation. Chapter 7 discusses this rejecting Fuchs (2015) audience labour idea that service users and not providers create PV, criticising the notion of value-destruction. Unlike some PM theorists who regard governance as neutral, Marxists value public ownership rejecting natural capital PPP investment and governances transferring assets and functions into the for-profit sector. Governance decisions cannot simply be guided by pragmatism since they are inherently political.

20.3 Usefulness of Marx's Method

Marx's method remains the most useful framework and set of concepts for analysing socio-economic issues, particularly the interaction between social relations of production and relations of reproduction, including public services. This section demonstrates this point exploring dialectics and problem-solving (20.3.1), a link between the natural environment and widening metabolic rift and social affairs (20.3.2). Marx seeks to enable people to rescue from capitalism their essential nature—to become de-alienated. Section 20.3.3 explores how the 'rounded' person grows in the transition from early to late socialism and eventually communist abundance. Public services are tangible and materialist, contrary to what neoliberal theorists argue. Section 20.3.4 reviews these arguments emphasising the materiality and

value-adding in life-as-lived of public services: advances the working-class makes and should seek to protect. Marx's humanism, putting people at the centre, shines through in his work, Sect. 20.3.5 summarises how this book rejects neoliberal naturalisation of capitalism, dismissing human agency and how for socialists the *optimism of the will* importantly contributes to for-itself consciousness in the working-class. Finally, Sect. 20.3.6 summarises critique of post-modernist views of value and identity, emphasising social being, working for and empathy with others serve the cause of working-class unity.

20.3.1 *Dialectics and Problem-Solving*

Social problems are complex, intertwining cause and effect, objective and subjective variables, never in equilibrium and characterised by conflicts, often between classes. While Chap. 4 presents a dialectical social learning problem-solving framework, every chapter in the book can be interpreted as learning around problem-solving. Individual and distributed cognitions provide the inputs into consciousness raising guiding and motivating *for-itself* class struggles. Issues raised for youth, elderly, healthcare, city-services, racism, gender and technology all raise problems and in all cases applying dialectical logic offers solutions, which step outside of capitalist relations into the more logical world of people, rather than an out-of-control system dictating solutions. Public services as use-values are solutions to problems within a capitalist framework, dialectical logic points to resolving the root causes, germ-cell of problems, with enduring solutions transitioning beyond class conflict towards socialism.

Ilyenkov (2008:6) warns us, *When dialectics is converted into a simple tool for proving a previously accepted (or given) thesis, it becomes a sophistry only outwardly resembling dialectics, but empty of content.* Contentless dialectics only confuses. In this book we have tried to point to the content dialectics reveal.

The practical use of dialectical thinking to solve problems is illustrated in daily activity by the best Officials in China; Martinez and Haiphong (2023) say the *East is Still Red*. Chen (2017) explains Xi Jinping's recommended approach to preventing and resolving risks in terms of dialectical method. In China's case as Bakken (2000) notes, there is a strong tradition of combining successful practice into exemplars, which are then generalised. Di and McEwan (2016) link dialectics to a culture celebrating experimentation and curiosity. In the Yunnan period (Bakken 2000), Mao's *On Contradictions* interpreted dialectics as point-to-surface problem-solving: a unity of good practice providing new solutions: the Yunnan Way as (1934) records it.. This was applied in villages to very practical issues such as seeding and planting rice. Ilyenkov (2020) notes how different the dialectical approach to problem-solving is to idealism. Chapter 4 notes what it describes as contentless logic found in Schatzki, Yeoman, Harvey, Klein, Frankfurt theorists, and Žižek.

For Marxists, the guidance from Vygotsky and Ilyenkov is invaluable. Dialectical problem-solving mobilises people and hence always poses issues of democracy.

This is why the transition to socialism begins with capturing and replacing the capitalist state, establishing democratic forums at workplace, community, regional and national levels. democratic forums discoursing on what needs to meet and (executive powers) marshalling the resources necessary.

20.3.2 *Matter-in-Motion: Nature and Social Affairs*

Marxists treasure our natural environment, rejecting capitalism's degrading of our heritage and calling for a sustainable relationship with nature in socialist alternatives, as a necessary part of dis-alienating processes. As Chap. 3 noted discussing Engel's *Dialectics of Nature*, the natural (like the social) environment is constantly changing, in the case of nature variation and evolution currently distorted by capitalist externalities and threatened by future natural capital exploitation. Beyond doubt, the mass of natural matter on the planet is suffering from a capitalist-induced widening of the metabolic rift between what is taken from nature and what it can sustainably offer: dialectical changes harmful for future generations, unless the root cause of global warming and degrading is stopped. Alongside hunger and poverty in developing countries and the wars imperialism causes, the natural environment is the most serious challenge facing socialist today. The task of socialist parties is to unite the disparate environmental movements behind a socialist banner stopping the blind descent into capitalism environmental disaster.

Marx's study of Epicurus gave him a life-long commitment to the natural environment alienation from it being part of his fundamental critique of capitalism. Both he and Engels viewed natural and social change in the same dialectical terms: matter-in-motion and socio-economic contradictions arising from capital-in-motion. The intersection of the economic and the natural became central to their critique of capitalism, which they argued necessarily and increasingly despoiled nature—what we now term externalities. Marx spoke of an ecological rift widened by capitalism, highlighting issues such as declining soil quality caused by the town/country divide, which inhibited natural soil replenishment. His idea of *natural capital* now forms part of the critique of fictitious capital investment further facilitating despoilation of nature.

Marx has been portrayed as an anti-environmentalist, productivist (Robertson and Choi 2010) by people ignoring his dual perspective on commodities: an abstract (value) model of accumulation (that only explores value) and his concrete form that centrally includes natural artefacts (the *free gifts of nature*), including humans who add their labour value and who are part of nature. Mészáros (1995, 2010) and most robustly Foster and Clark (2021) elucidate Marx's position. Roberts (2020) puts that case against de-growth and instead an alliance of states planning together environmental improvement.

Environmental monitoring and improvement are core public services. Marx's analysis closely links economic and natural dialectics critiquing capitalist undermining of public sector environmental initiatives and providing the framework for

international cooperation and a justification for socialist change as an alternative to failing capitalism measures (such as natural capital investment) that add to environmental degradation.

20.3.3 *Human Essence and Rounded Person Creation*

Marx was a humanist, placing people at the centre of all his concepts and systems. In *Capital*, he easily shifts between theorising and conditions suffered by individuals. People matter to Marx. From his earliest writings (1844), he argues that capitalism alienates people from (a) relations with other people (markets mediate), (b) from our natural heritage (capitalist externalities destroy nature widening a metabolic rift between what nature can sustainably offer and what capitalism takes, and (c) from the product of our labour and the labour of others, that become fetishised commodities. Marx's argument is that transitioning from capitalism, people de-alienate and become *rounded* persons.

Marx critiques the hypocrisy of liberals claiming liberty and equality denied to USA slaves, people in colonies (India, Ireland), women and the proletariat (his 1844 *Rights* work). Even when nationhood forced countries to concede citizenship, the uneducated masses were expected to be passive, without claiming the social rights challenging inequality (*Capital*, V-I:800). He slammed Smith for favouring 'combinations' of employers setting prices, while their state imprisoned workers for forming trade unions. Informed by Hegel's idea of *recognition*, Marx excoriated the bourgeoisie for using private property to deny democracy in the workplace, underscoring his lifelong rejection of private ownership of the means of production. Before the neoliberal person, Marx critiqued the liberal person, criticisms with echoes for today.

Just as the Soviets had a vision of the new Soviet man (and woman), so too Davidson (2023:126) argues neoliberal envisages the neoliberal person. S/he is an individual market consumer, an obedient labourer at work and a subordinate and passive citizen of the state, lives in a 'smart' city and is in debt. In short, as the neoliberal social relations of production shift to producing intangible commodities with embedded knowledge and paid-for rather than public services, so the social relations of reproduction alter to support and accommodate production needs. For a minority, work in creative industries, for others work in higher value services and for a minority work serving (public or private sector) those with money. Neoliberalism has successfully extended many workers' working day to be contactable 24/7 and introduction flexibility in hours worked, functions and interdisciplinary team working. Muldoon et al. (2024) graphically show how AI jobs for millions of African countries (monitoring, annotating) involve long hours, digital monitoring, oppressive labour practices and insecure employment. The neoliberal person accepts paying for private solutions to what used to be collective problems (health, education, housing, transport) accepting a belief system based on ungrounded ideals: efficiency, market rules, incentives and high level of inequality. Le Bon's (2017) ideas of crowd

psychology control, and Arendt's dismissal of socialist leadership are cited supporting what Marx called *political nullity* (V-20:10)—the acceptance of recognition in identity politics that merges into product marketing and consumerism (see Chaps. 15 and 16). The task of uniting the working-class becomes increasingly difficult as neoliberal individualism gains acceptance as a vision of the future. Personal and immediate relations, along with prejudices, replace a collective sense of shared destiny.

Rounded Persons

Marx and Engels envisioned a future of 'rounded' individuals no longer alienated by capitalism—able to return to their human essence and creatively express themselves.

as soon as the distribution of labour comes into being, each man has a particular, exclusive sphere of activity, which is forced upon him, and from which he cannot escape. He is a hunter, a fisherman, a shepherd, or a critical critic, and must remain so if he does not want to lose his means of livelihood; whereas in communist society, where nobody has one sphere of activity but each can become accomplished in any branch he wishes, society regulates the general production and thus makes it possible for me to do one thing today and another tomorrow, to hunt in the morning, fish in the afternoon, rear cattle in the evening, criticise after dinner, just as I have a mind, without ever becoming a hunter, fisherman, shepherd, or critic. German Ideology (MECW-28:47).

Troy (1984) emphasised de-alienation as happily working for the benefit of others, with its alternative individual consumerism, he argued leading to the demise of the Soviet Union: undermining relational personhood. Bakhurst (2006) refers to as a mindedness, an inner-speech guiding meaningful human activity, a vision of liberated humans articulated today in mass protests such as BLM and MeToo. Confusion over the goal of dis-alienation led Marx and Engels to criticise the SDP Gotha Congress (merging with Lasallians) as *untidy, confused, disconnected, illogical and discreditable*. Part of Marx's *Critique of the Gotha Programme*, he clarified the passage from socialism to communism and the new persons dis-alienated in communist abundance:

In a higher phase of communist society, after the enslaving subordination of the individual to the division of labour, and therewith also the antithesis between mental and physical labour, has vanished; after labour has become not only a means of life but life's prime want; after the productive forces have also increased with the all-around development of the individual, and all the springs of co-operative wealth flow more abundantly—only then can the narrow horizon of bourgeois right be crossed in its entirety and society inscribe on its banners: From each according to his ability, to each according to his needs!

Needs would be met by freedom to act and think supported by collective/public services; what Lenin called the *common good*. For Marx and Engels, communist abundance, expressed in meeting needs with UVs, requires releasing the potential of productive forces, shackled by capitalism. A new mode of production and relations of reproduction: higher consciousness socialist workers, willingly working as

a contribution to social good. A rounded person, characterised by social solidarity and self-cultivation; the self-realisation ending alienation from meaningful social relationships, from estrangement from nature and from the products of their labour. The new persons are free from exploitation and oppressions, able to freely express loving relationships (Bennett 2003), living in a world *in which the full and free development of every individual forms the ruling principle* (Capital-Volume-1:588). Freeing technology and productive resources meet needs (UVs) instead of the pursuing profit and it replaces wasteful competition with socialist planning. As Marx says,

free time—which is both leisure as well as time for higher activity—naturally transforms its possessor into another person; and it is then this person that enters into the process of production. Grundrisse-II:97

Marx was foreseeing a society in which knowledge and creativity were paramount, with workers having free time for curiosity and developing new ideas and new ways-of-working.

The saving of labour time [is] equal to an increase of **free time, i.e. time for the full development of the individual**, which in turn reacts back upon the productive power of labour as itself the greatest productive power. From the standpoint of the direct production process it can be regarded as the production of fixed capital, this fixed capital being man himself. It goes without saying, by the way, that direct labour time itself cannot remain in the abstract antithesis to free time in which it appears from the perspective of bourgeois economy... **Free time—which is both idle time and time for higher activity—has naturally transformed its possessor into a different subject, and he then enters into the direct production process as this different subject.** This process is then both discipline, as regards the human being in the process of becoming; and, at the same time, practice [Ausübung], experimental science, materially creative and objectifying science, as regards the human being who has become, in whose head exists **the accumulated knowledge of society.** Grundrisse , Notebook VII.

The Rounded Person in Context

De-alienation will only be complete in communist abundance characterised by a withered state, higher consciousness and plenty. If *from each according to their ability* is interpreted as early-stage socialism in terms of payment for labour hours (Cheng 2019), then *to each according to their need* invokes an abundant future when needs can be met, as optimistically Marx outlines:

After the productive forces have also increased with the all-round development of the individual, and all the springs of commonwealth flow more abundantly—only then can the narrow horizon of bourgeois right be crossed in its entirety and society inscribe on its banners: From each according to his abilities, to each according to his needs! Gotha critique (MECW-24:87)

The institutional setting and physical arrangements in which this occurs, Hoeschele (2010) notes, will take time to renew and to eradicate institutions designed to create scarcity perhaps the several centuries it took capitalism to form,

perhaps also with models of public services not yet conceived especially in areas such as mental health.

These effects would make it necessary to replace the detail-worker of today, crippled by life-long repetition of one and the same trivial operation, and thus reduced to the mere fragment of a man, by the fully developed individual, fit for a variety of labours, ready to face any change of production, and to whom the different social functions he performs, are but so many modes of giving free scope to his own natural and acquired powers. Capital (MECW-35:490)

Advocates of de-growth, such as Saito (2017), need to take account of needs in undeveloped countries, perhaps part of the alliance of friendly state; it would be perverse to de-grow if people elsewhere have unmet needs. Also, as Chase (1934) points out, what constitutes abundance is relative over time, and planners would be mindful of the need to regenerate nature despoiled by capitalism (Fricker 1999).

Achieving the ‘rounded’ person, de-alienated personhood, returning to a ‘free’ human essence is an important goal for Marx, one taking account of the pragmatic situation facing early-stage socialist states.

20.3.4 *Materialism and Tangibility*

Baumol’s neoliberal argument that services are intangible, and therefore difficult to automate and necessarily low value-adding, connects with Fuchs (2015) and Vargo and Lusch’s (2014) neoliberal argument that service users, rather than providers, create value. Both arguments belittle the value contribution of workers as service providers, both dismiss the LTV, misunderstanding that it is workers labouring on material artefacts from nature that creates value: there is no other source of value than labour and nature. Though perhaps unaware of Fuchs’ audience labour argument, some public management theorists cite Vargo and Lusch’s arguments approvingly, Osborne et al. (2021) being an example.

Chapter 2 argued that it is ideological for Normann, Vargo, Lusch and PM theorists such as Grönroos to characterise services as intangible. Services always have a material element: the doctor with the pill, the cook with the food, they are as Shostack (1977) says on a continuum between tangible and intangible, never completely one or the other (see Kaivo-oja et al. 2024). The intangibility argument is important for understanding productivity of value creation in public services and the value workers create—their self-esteem and rewards. By learning and reconfiguring public services models, workers do improve productivity, do create value.

Marx views commodities from both an abstract (value) and material (physical) viewpoint. Ilyenkov (2020) summarises this as *the method of ascent from the abstract to the concrete is a specific form of the activity of thought, of logical transformation of contemplation and notion into concepts*. Services are commodities. Ilyenkov’s approach is a guide to finding and rooting out the ideology neoliberalism seek to weave into thinking. Other ideological concepts Marxists reject in thinking

about public services include *we need to balance the books, markets are more efficient*.

Ideology Ungrounded: Chap. 7

Groundedness for Marx means materialist, flowing from natural matter; this includes social and technical relations of producing services. Ungrounded ideas, disconnected from material reality are ideology. Ideas grouped into concepts reflecting social materialist social relations come with emotional attachments since they are socially generated. Dialectical analysis seeks out the germ-cell essence of concepts, historicising and interpenetrating to uncover their meaning in social practice including social and technical relations, hence without inconsistency he can refer to the importance of ideas (ideology) influencing actions (class-in-itself, class-for-itself), since ideology and the ruling ideas emanate from social relations. His interest, following Hegel, is to identify the essence of these relations and not be mesmerised by superficialities, he therefore has no difficulty acknowledging that all labour and social practice presume physical, intellectual and affective activities. From this perspective we can reject Adorno's (1973) consumerist ideology, Latour's (1987, 2005) view that objects have consciousness, Žižek's (2017) ascription of agency to inanimate things and Fuchs' (2015) value creation by audience labour. Many of these originate from marketing techniques what Fairclough (1993) called the *marketization of marketing thought*.

Marx's materialism connects nature (including humans as part of nature) to social arrangements, including ideas and consciousness, by arguing that practice—by humans (paid or unpaid labour in many instances)—creates the conditions and social relations from which ideas emerge and are disputed or enacted: ideas individuals generate and society distributes. Cognition and consciousness link with practice, always featuring human agency.

20.3.5 Agency: Optimism of the Will

Commenting upon Marx's account in the *Manifesto* of capitalism's extraordinary expansion of production while at the same time creating misery and poverty, the American philosopher Fredric Jameson (1996:47) says of Marx,

We are somehow to lift our minds to a point at which it is possible to understand that capitalism is at one and the same time the best thing that has ever happened to the human race, and the worst. [We must] think the cultural evolution of late capitalism dialectically, as catastrophe and progress all together.

Considering the same issue, Engels (1873:324), the first to catalogue the misery capitalism brought to *Conditions* in Manchester, reflected,

Should we therefore look backward longingly to ... rural small-scale industry, which produced only servile souls? On the contrary. Only the proletariat created by modern large-scale industry, liberated from all inherited fetters, including those which chained it to the land, and driven in herds into the big towns, is in a position to accomplish the great social transformation which will put an end to all class exploitation and all class rule.

Speaking at a dinner for refugees from the 1848 European revolutions, on the anniversary of the Chartist newspaper in (1856:655) Marx said,

In our days, everything seems pregnant with its contrary: Machinery, gifted with the wonderful power of shortening and fructifying human labour, we behold starving and overworking it; The new-fangled sources of wealth, by some strange weird spell, are turned into sources of want.

The point is that humans can grasp their own destiny, which for Marx is dis-alienation by *class-for-itself* overturning capitalism, resolving the contradictions capitalism throws up, thinking dialectically about public services, human agency; practice alters nature, other people too are part of nature. For Ilyenkov (2008) active materialism is not seeking ‘truths’ by referencing deduction, as in Hegel’s project, but instead grounding cognitions and consciousness in material reality as validating practice. This optimism of the will is optimistic that capitalist alienation can be ended and replaced by socialist economic and social relationships.

There are none of the exhortations or romantic references such as Lukács’ *idealism of practice* here, Marx highlights the ambiguity of capitalism, just as we need to think dialectically about public services, especially as vexatious issues of jobs and costs arise. Embracing the future requires the deepest learning and unravelling of complexities. However, Gramsci’s (1971) optimism (from a prison cell) too is warranted:

You must realize that I am far from feeling beaten...it seems to me that... a man out to be deeply convinced that the source of his own moral force is in himself—his very energy and will, the iron coherence of ends and means—that he never falls into those vulgar, banal moods, pessimism and optimism. My own state of mind synthesises these two feelings and transcends them: my mind is pessimistic, but my will is optimistic. Whatever the situation, I imagine the worst that could happen in order to summon up all my reserves and will power to overcome every obstacle.

Gramsci’s next step, the idiom *everyone is a philosopher* was intended to eulogise workers, who instead are better directed to understanding the essences of their social relations. However, while resonating in democratically-minded social research, it can abandon the need for experts and users to deepen their understanding of social reality. Self-belief should not over-reach and instead we should learn from experts and learn how to use their expertise and not claim that expertise does not matter. In this sense, everyone is not a philosopher, though everyone may become one.

20.3.6 *Identity Theory and Post-Modernist Relativism*

Chapters 15 and 16 criticised identity theory, featured in some feminist and critical race theory, as alternatives to Marx's emphasis on class unity and conflictual social processes. With Wilford (2008), we note the evidence of CIA support for funders of French post-modernists and representatives of the Frankfurt School. Focus on identity individualises what is collective and naturalises social relations that are socially-constructed. Identitarians such as Fraser (2009) and Butler (1990) in gender politics leave exploitative (and oppressive) class structures intact. For example, Reed's (2022) description of living under Jim Crow rules in the southern USA makes no connection with collective struggles against racism and/or united struggles with white workers. Acknowledging with Losurdo (2014, 2020) that the USA is not and has never been a democracy makes class analysis forging unity all the more important. Losurdo (Liberalism) points to the contradiction of supposed liberals (Locke, Washington and 7 of the first 9 Presidents) owning slaves.

Radical moral critiques of capitalism, such as Lukács (1923), are rightly criticised as inadequate: he can always find why there is no route to socialism. Mészáros (2010) can be uncritical of social relations. Hegel's (1897) idea of *recognition* which Fraser (1995, 2005) uses to explain gender discrimination was envisaged dialectically, in a social not individual context; it is not as a binary. Class consciousness, the joining of a multiplicity of diverse struggles (MECW-6:210), cannot be a 'one big' push. Discourse between working-class activists and activists from single-issue campaigns will be important in building trust and constructing alliances. What does a republican in N Ireland have to say to loyalist worker, or the Palestinian to the Israeli? Mao (1943) emphasis on doing together, and on practice, is key.

Identity politics, like Hayek, individualises. The socialist, perhaps using united fights for public services as examples, seeks to build a majority in favour of radical social change.

20.3.7 *Summary*

The arguments above support the usefulness of Marx's method with social learning and dialectical problem-solving being thematic connecting analysis of natural and social change. Marx's vision of the rounded person captures his dialectical movement from alienated to de-alienated personhood with material public services in the form of collective services and willingly working for the benefit of others featuring prominently. Marx looks to collective agency as achieving socialist change, emphasising the collective consciousness necessary and rejecting substitutionism and strength of will as insufficient. The majority must be persuaded to support socialist change, done by contrasting their social experiences with capitalist ideology and setting out a coherent socialist alternative, which includes Marx's method. Focus on

identity can distract from this task and socialist will energise alliances with gender and race campaigns including jointly fighting for improved public services.

20.4 Public Services and Transition to Socialism in Developed Countries

20.4.1 Public Services and Transitions

For Marx bourgeoisie liberal democracy is a charade reliant on a passive citizenry and capitalist control of the state, giving no democratic control over relations of production, with concessions, such as public services, conceded only after struggle. Planned public services offering non-market solutions to problems illustrate what is possible during and following a dictatorship of the proletariat, the task of which is to establish democratic structures throughout society and the economy. This demonstrates why merely accumulating public services is insufficient to establish socialism—the dictatorship of the bourgeoisie must be replaced with democratic structures, including workplaces to allow democratic planning.

20.4.2 State as Battlefield for Public Services

While fighting for reforms, such as public services hold the danger of sowing illusions in reformist parties (Sect. 5.3.1), participating in democratic planning and achieving public services as concessions from capitalism adds to the self-confidence of the working-class. As the neoliberal onslaught against the welfare state demonstrates, public service reforms are transitory in a capitalist state: what can be won, can later be lost. The war in the welfare state battlefield will only be ended by an irreversible change in the mode of production and creation of structures sustainably accountable.

20.4.3 Public Services and Democratic Planning

Chapter 19 highlighting the importance of socialist planning draws attention to AI and digital technologies now available to support democratic processes. Of course, technology alone is insufficient to guarantee democratic planning, which depends upon an active and learning citizenry, as well as local/national political leadership seeing the value in democratic processes.

20.4.4 Marxism and Improving Public Services

In Chaps. 11 to 17 various suggestions were made around improving public services including mental health, education, integrating health and social care and waste disposal. In all case the use of dialectical problem-solving features. Eradicating the root cause of many of the social problems and issues that public services address requires radical political change, each battle to improve public services is an opportunity to reveal root causes of problems and to consider short-term and long-term solutions.

20.4.5 News State Structure and Democratic Processes

Chapter 4 argued that while radical socialist change must command a majority support, this is unlikely to be achieved by a single party, therefore in both developing and developed countries the building of alliances supporting change is necessary. Chapter 19, noting Draper (1971), argues that the dictatorship of the proletariat can be a temporary, democratic and accountable early phase in the establishment of socialism. Its nature depends on (a) gaining majority democratic participation in building the new society, (b) its socio-economic heritage and possibilities for ‘early wins’ in providing public services and (c) the degree to which national and international capitalist forces violently mobilise to unseat the socialist government. Note, Marx’s presumption, based on his analysis of the 1871 Paris Commune (*Class War in France*), is that replacing the dictatorship of the bourgeoisie with dictatorship of the proletariat is the majority wish. Secondly, in the ideal case, the new government will deliver new and better public services, demonstrating by example how the new society will create a better life for people. Restructuring the state and democratic processes is necessary for planning public services to meet citizens’ needs. Replacing the dictatorship of the bourgeoisie does not necessitate violence unless capitalists seek to overturn a democratic mandate by force. Lenin’s idea of a vanguard party is not appropriate in developed states with liberal democratic structures and even in developing countries where democratic structures allow, open agitation and organisation is desirable winning support for socialist change.

20.4.6 Public Services and Transition in Developing Countries

Developing countries have most to gain from ending neoliberal imposition of unequal trade, low taxes and inadequate public services. New socialist states could trade and ally with existing transitional states. We have criticised dependency theory, Baran (1957), Wallerstein (2004), Amin (2014), Smith (2016), Hardt and Negri (2009), and Harvey (2005) as no substitute for the sort of Marxist analysis Carchedi

and Roberts (2021) provide. Dependency is not a natural state, it takes a national rather than class perspective. Similarly, terminology, such as the OECD's middle-income trap, covers up class relations within and between states, blaming victims of imperialism.

Public services in developing countries suffer from imperialism-value that could be used to provide services such as health and education is siphoned off into the pockets of the international ruling class.

20.5 Chinese Transition: The East Is Red

The global socialisation of production means Marx's idea of Asiatic mode of production can now be expanded allowing two-stage progress to socialism can now be a meaningful strategy in all developing countries, since in each case at a micro-level some democratic, socially-vibrant society will survive, like the Mir in 19thC Russia. All countries now have the possibility of transitioning from capitalism to early-stage socialism, providing they can trade and transfer technologies from friendly states.

China is an example of two-phase transition, the 1949 revolution having more economic content than Russia 1917. China's ability to engage in international trade and import advanced technologies following *opening-up* and *outward-looking* Party policies, coupled with mass urbanisation expanding the working-class, has led to record-shattering growth with GDP now doubling every 15 years.

Various authors argue that China now follows a capitalist road; the *full-fledged capitalist restoration* in Hart-Landsberg and Burkett (2005) is an example. They point to inequality, natural environment degradation, inadequate democracy and contradiction in the socialist market economy strategy, arguing that CEOs pursue profit maximisation, they also claim that investments abroad are imperialist. While purporting to be a Marxist analysis these analyses do not centre on the law of value and private accumulation.

Hart-Landsberg and Burkett (2005) argue that China has become neoliberal (flying in the face of the defeat of Zhao Ziyang and his supporters at the 13th Party Congress). Minqi Li and Wei (2020, 2024) wrongly interprets China as state capitalist, forgetting that 60% of productive assets are publicly owned and that all companies align with 5YPs. State capitalism for Lenin was shared Kulak ownership, short-term and transitional, not the new mode of production Minqi Li (2020) suggests. Pollitt and Bouckaert (2004) *bureaupreneur* concept may have applied to 1991 Russia, not to China (Ang 2017) where most TVEs today remain collectively owned. Even Steinfeld (2012) who favours capitalist restoration acknowledges this pointing to the contrast with post-Soviet Russia. Critiques, such as Weber (2021) applying liberal terminology such as 'autocratic' and 'totalitarian' to China, obfuscate class relations.

20.5.1 *China's Socialist Transition and Public Services*

China is the pre-eminent successful socialist country. SWCC as Xi Jinping report to the 18th CPC National Congress (2014) encapsulates the Party's interpretation of Marxism into a Chinese context and culture with socialised public services leading the way. Chapter 18 identifies planning, accountable governances and progress towards a sustainable environment in China. Over 75 years China's transition into early-stage socialism is shown in the quality and availability of public services such as education, healthcare, housing, universities and infrastructure, lifting perhaps 800-million people out of poverty to now enjoying a good life and looking forward with an *optimism of the will*. Xi says *The Party's strength and its close ties with the people have ensured China prosperity and stability, and the Chinese people peace and happiness*.

Having used IFDI, including technology transfer, Cheng (2019) says, China now exploits its endogenous knowledge base (AI, eVehicles, life-sciences, e-commerce) and cumulated capital to increase consumption in a *circular economy* focused on *common prosperity*. Cheng (2019) notes as the economy grows, public services and welfare too plan expansion, further reducing social and regional inequalities. Lo *et al.* (2022) note a *decisive role* for the market up to the 2049 goal of a high-income society. Democratic planning extends to Party cells in enterprises, with each cell (and District Secretaries) elected by the 100-million CPC members. Increasingly distribution is based on labour hours Yu Yongding (2013) notes. Xi Jinping (2017) expanded as productivity increases: infrastructure; culture, museums, schools, hospitals.

In summary, China's continues its journey in early-stage socialism intent on achieving environmental, production, technological and living standard targets by the 2049 anniversary. In this progression, public service expansion continues to play a central role. In a 1936 book, much beloved by Chinese people, Lin Yutang wrote of China, *Did God really intend her to be a first-class nation?* President Xi can answer that question with a resounding yes since the flame of socialism burns brightly with expanding public services a central part of the progress.

Careful studies of China's economic progress led now by Xi Jinping reveal a careful political change strategy (see Xin Jinping 2014; Martinez 2023; Tsang and Cheung 2024), which coupled with economic advances (Cheng 2019; Minqi Li 2017) portray a society transitioning towards socialism, continually expanding public services.

20.6 Rebuilding After Neoliberal Attack and Public Services

A final comment. Freeman and Kagarlitsky (2004) worries that neoliberalism is irreversible; however, no social formation is forever. Trade unions and socialist parties and groups have lost ground during the neoliberal period and must be rebuilt if socialist change is to appear on the agenda of the mass of people (Davidson 2023).

The material and practical nature of public services are an ideal way to raise socialist ideas, addressing social problems that people can see need solving and will perhaps listen to proposed socialist solutions with grounded and practical socialist arguments connecting with a vision of what the world might look like.

References

- Adorno T (1973) *Negative dialectics*. Routledge, London
- Albritton R, Simoulidis J (eds) (2003) *New dialectics and political economy*. Palgrave Macmillan, Basingstoke
- Alford J (2016) Co-production, interdependence and publicness: extending public service-dominant logic. *Public Manag Rev* 18(5):673–691
- Amin S (2014) *Theory is history*. Springer, Berlin
- Ang YY (2017) *How China escaped the poverty trap*. Cornell University Press, London
- Bakhurst D (2006) On the evolution of activity theory. *Культурно историческая психология*, Moscow
- Bakken B (2000) *The exemplary society – human improvement, social control and the dangers of modernity in China*. OUP, Oxford
- Bano N (2024) *Against landlords – how to solve the housing crisis*. Verso, London
- Baran P (1957) *The political economy of growth*. Monthly Review Press, New York
- Basu K (2023) *The logic of capital*. Princeton University Press, Princeton
- Bennett C (2003) Liberalism, autonomy and conjugal love. *Res Publica*, October, 9, 285–301
- Branden T, Pestoff V (2006) Co-production, the third sector and the delivery of public services. *Public Manag Rev* 8(4):493–501
- Callinicos A (1985) Postmodernism, post-structuralism, post-marxism? *Theory Cult Soc* 2(3):85–101
- Carchedi G (2005) On the production of knowledge. *Res Polit Econ* 22:267–304
- Carchedi G, Roberts M (2021) The economics of modern imperialism. *Hist Mater* 29(4):23–69
- Carchedi G, Roberts M (2023) *Capitalism in the twenty-first century – through the prism of value*. Pluto Press, London
- Carson R (2024) *Immanent externalities – the reproduction of life in capital*. Haymarket Books, Chicago, IL
- Chase S (1934) *The economy of abundance*. Macmillan, London
- Chen X (2017) *The ecological crisis and the logic of capital*. Brill, Leiden
- Cheng E (2019) *China's economic dialect – the original aspiration of reform*. International Publishers, New York
- Christophers B (2018) *The new enclosure – the appropriation of public land in neoliberal Britain*. Verso, London
- Cockshott PW, Cottrell AF (1997) Labour time versus alternative value bases: a research note. *Camb J Econ* 21(4):545–549
- Damsma D (2020) *How language informs mathematics – bridging hegelian dialectics and marxian models*. Haymarket Books, Chicago, IL
- Davidson S, Giesen E, Harmer M, Marshall A (2018) *How industry leaders enhance the value of ecosystems*. *Strateg Leadersh* 46(2):26–33
- Davidson T (2023) The danger of runaway AI. *J Democr* 34(4):132–140
- Denhardt RB, Denhardt JV (2000) The new public service: serving rather than steering. *Public Adm Rev* 60:6
- Di X, McEwan H (eds) (2016) *Chinese philosophy on teaching and learning: Xueji in the twenty-first century*. SUNY Press, BJ
- Dore R (2008) Financialization of the global economy. *Ind Corp Chang* 17(6):1097–1112

- Draper H (1971) The principle of self-emancipation in Marx and Engels Duménil and Lévy 2004
- Duménil G, Lévy D (1995) A stochastic model of technical change: an application to the US economy (1869–1989). *Metroeconomica* 46(3):213–245
- Engels F (1873) The Housing question on the abolition of the antithesis between town and country (Chaper-3). <https://www.marxists.org/archive/marx/works/subject/hist-mat/hous-qst/ch03b.htm>
- Fairclough (1993) Critical Discourse Analysis and the Marketization of Public Discourse: The Universities. *Discourse Soc* 4(2):133–168
- Foster JB, Clark B (2021) The capitalinian: the first geological age of the anthropocene. *Mon Rev* 73(4):1–16
- Fraser N (1995) From redistribution to recognition? Dilemmas of justice in a ‘post-socialist’ age. *New Left Rev*, 212, July–August
- Fraser N (2005) Reframing justice in a globalizing world. *New Left Rev* 36:69–88
- Fraser N (2009) Feminism, capitalism and the cunning of history, Citizenship rights. Routledge, London, pp 393–413
- Freeman A, Kagarlitsky B (2004) The politics of empire. Pluto Press, London
- Fricker A (1999) Economies of abundance. *Futures* 31(3/4):271–280
- Fuchs C (2015) The digital labour theory of value and Karl Marx in the Age of Facebook, YouTube, Twitter and Weibo. In: Fisher E, Fuchs C (eds) *Reconsidering value and labour in the digital age*. Macmillan, London. Chapter 2
- Gramsci A (1971, 1939–35) Prison notebooks (Quintin Hoare and Geoffrey Nowell eds), International, New York
- Grönroos C (2017) On value and value creation in service: a management perspective. *J Creat Value* 3(2):125–141
- Grönroos C, Ravald A (2011) Service as business logic: implications for value creation and marketing. *J Serv Manag* 22(1):5–22
- Hardt M, Negri A (2009) *Common wealth*. Harvard University Press, Cambridge, MA
- Hart-Landsberg M, Burkett P (2005) *China and socialism: market reforms and class struggle*. MR Press, New York
- Harvey D (2005) *A brief history of neoliberalism*. OUP, Oxford
- Harvey D (2017) *Seventeen contradictions and the end of capitalism*
- Heller A (1974/1918) *The theory of need in Marx*. Verso, London
- Himanen P, Castells M (2002) *The information society and the welfare state – the Finnish Model*. OUP, Oxford
- Hoeschele W (2010) *The economics of abundance*. OUP, Oxford
- Hood C (1991) A public management for all seasons? *Public Manag Rev* 69:3–19
- Hood C, Piotrowska B (2024) Mature NPM. The resilience of new public management. *Public Manag Rev* 12:49
- Hudis P (2020) Marx’s concept of the alternative to capitalism, AAKAR Books, Historical Materialism Series, Haymarket Books, Chicago, IL
- Ilyenkov EV (2008) *Dialectical logic – essays on its history and theory*. Aakar Books, Delhi
- Ilyenkov EV (2020) *Intelligent materialism – essays on hegel and dialectics*. Haymarket, Chicago, IL
- Jameson F (1996) Walter Benjamin. In: Hindle J (ed) *London review of books: an anthology*. Verso, London
- Kaivo-Oja J, Kinder T, Stenvall J (2024) Key trends ff tangible and intangible products in public sector production in some OECD countries: intangibility and the obfuscation of public service productivity. *J Econ Cult*, forthcoming
- Keast R (2021) Engaging citizens, clients, and communities for policy and service delivery. In: Hildreth WB, Miller GJ, Lindquist EA (eds) *Handbook of public administration*, 4th edn. Routledge, London. Chapter 10
- King S (2021) *Imperialism and the development myth: how rich countries dominate in the twenty-first century*. Imperialism and the development myth. Manchester University Press, Manchester

- Kooiman J (2003) *Governing as governance*. Sage, London
- Kooiman J, Jentoft S (2009) Meta-governance: values, norms and principles, and the making of hard choices. *Public Adm* 87(4):818–836
- Koskimies E, Stenvall J, Kinder T, Leikas D, Nieminen J (2023) Artificial intelligence and Public Innovations. In: Väyrynen H, Helander N, Jalonen H (eds) *Public innovation and digital transformation*. Routledge, London. Chapter 5
- Laitinen I, Stenvall J, Kinder T (2017) Co-design and action learning in local public services. *J Adult Contin Educ*, 1–26, August
- Lapsley I (2009) New public management: the cruellest invention of the human spirit? *Abacus* 45:1. <https://doi.org/10.1111/j.1467-6281.2009.00275.x>
- Lapsley I, Miller P (2024) The emergence and resilience of new public management. *Financ Account Manag* 12:1
- Latour B (1987) *Science in action*. Open University Press, Milton Keynes
- Latour B (2005) *Reassembling the social – an introduction to actor network theory*. OUP, Oxford
- Lazonick W, Shin J-S (2020) Predatory value extraction: how the looting of the Business Corporation became the US norm and how sustainable prosperity can be restored. OUP, Oxford
- Le Bon G (2017) *The crowd*. Routledge, London
- Lo D, Gao L, Lin Y (2022) State ownership and innovations: lessons from the mixed-ownership reforms of China's listed companies. *Struct Chang Econ Dyn* 60:302–314
- Longo SB, Clausen R, Clark B (2015) *The tragedy of the commodity*. Rutgers University Press, New Jersey
- Losurdo D (2014) *Liberalism – a counter history*. Verso, London
- Losurdo D (2020) *War and revolution – rethinking the 20th century*. Verso, London
- Lukács G (1923/1972) *History and class consciousness: studies in Marxist dialectics*. MIT Press
- Luttwak E (1996) Central Bankism. *Lond Rev Books*, 18:22, November
- Mao Z (1943) The Comintern has long since ceased to meddle in our affairs. Available at (accessed 190624). https://www.marxists.org/reference/archive/mao/selected-works/volume-6/mswv6_36.htm
- Martinez C (2023) *The east is still red*. Praxis Press, London
- Martinez C, Haiphong D (2023) *The east is still red*. Praxis Press, London
- Marx K (1973) *Grundrisse*. Pelican, London
- McNeill D (2021) *Fetishism and the theory of value – reassessing marx in the 21st century*. Palgrave Macmillan, Switzerland
- Mészáros I (1995) *Beyond capital – towards a theory of transition*. Merlin Press, London
- Mészáros I (2010) *The structural crisis of capital*. Monthly Review Press, New York
- Milanovic B (2016) *Global inequality: a new approach for the age of globalisation*. Harvard University Press, MA
- Minqi Li (2017) *Political economy of China: from socialism to capitalism, and to eco-socialism?*
- Minqi Li (2020) *Profit, accumulation, and crisis in capitalism*. Routledge, London
- Minqi Li, Wei L (2024) Surplus absorption, secular stagnation, and the transition to socialism: contradictions of the U.S. and the Chinese Economies since 2000. *Mon Rev* 76(5)
- Muldoon J, Graham M, Can't C (2024) *Feeding the machine – the hidden human labour powering AI*. Canongate, Edinburgh
- Osborne SP (ed) (2010) *The (New) public governance: a suitable case for treatment*, *The New Public Governance*. Routledge, London
- Osborne D, Gaebler T (1993) *Reinventing government*. Penguin, London
- Osborne SP, Nasi G, Powell M (2021) Beyond co-production: value creation and public services. *Public Administration (Early View)* <https://doi.org/10.1111/padm.12718>
- Phillips L, Rozworski M (2019) *People's Republic of Walmart – How the world's biggest corporations are laying the foundations for socialism*. Verso, London
- Piketty T (2020) *Capital and ideology*. Harvard University Press, Cambridge, MA
- Pitts FH (2017) Beyond the fragment: postoperaismo, postcapitalism and Marx's 'Notes on machines', 45 years on. *Econ Soc* 46(3–4):1–22

- Pollitt C, Bouckaert G (2004) *Public management reform: a comparative analysis*. OUP, Oxford
- Preobrazhensky E (1926, 1965) *The new economics* (2nd ed). Clarendon Press, Oxford
- Reed AL (2022) *The South – Jim Crow and its afterlives*. Verso, New York
- Ricardo D (1821) *On the principles of political economy and taxation*. Available at (accessed 190696)
- Roberts M (2020) *Marx 2000 – his contribution to political economy*. Lulu.com, London
- Robertson P, Choi T (2010) *Ecological Governance: organizing principles for an emerging Era*. Public Adm Rev, Special Issue December 2010, S89–S99
- Saito K (2017) *Karl Marx's Eco-socialism*. MR Press, NY
- Sassen S (2015) *Losing control? Sovereignty in an age of globalisation*. Columbia University Press, New York
- Sennett R (2013) *Together: the rituals, pleasures and politics of cooperation*. Penguin, London
- Shostack G (1977) *Breaking free from product marketing*. J Mark 41(2):73–80
- Slobodian Q (2018) *Globalists – the end of empire and the birth of neoliberalism*. Harvard University Press, MA
- Smith A (1970 [1776]) *The Wealth of Nations*. Penguin, London
- Smith J (2016) *Imperialism in the twenty-first century – globalisation, super-exploitation and capitalism's final crisis*. Monthly Review Press, New York
- Steinfeld ES (2012) *Playing our game – why China's rise doesn't threaten the west*. Academic, New York
- Sweezy P (1946, 1968), *Theory of capitalist development*. Monthly Review Press, New York
- Tapia S (2023) *Human rights penalty and violence against women: the coloniality of disembodied justice*. Law Critique Sep 4:1–25
- Ter Bogt HJ (2024) *NPM, Accounting Information. The Resilience of New Public Management, Financial Accountability & Management*, Jan 12:138
- Tomba M (2013) *Marx's temporalities*. Haymarket Books, Chicago, IL
- Tombazos S (2014) *Time in Marx – the categories of time in Marx's capital*. Haymarket Books, Chicago, IL
- Troy E (1984) (part-1) 1992, (part-2) *The social wage*. Crabtree Press, Hove
- Tsang S, Cheung O (2024) *The political thought of Xi Jinping*. OUP, Oxford
- Vargo SL, Lusch RF (2014) *Inversions of service-dominant logic*. Mark Theory 14(3):239–248
- Vygotsky LS (1934, 1987) *The collected works of LS Vygotsky: Vol. 1, Problems of general psychology*. In: Rieber RW, Carton AS (eds), Plenum, New York
- Wagner A (1879) <https://www.dhm.de/en/press/press-release/marx-and-wagner-capitalism-and-germansentiment/>
- Wallerstein I (2004) *World-systems analysis*. Duke University Press, Durham
- Weber IM (2021) *How China escaped shock therapy: the market reform debate*. Routledge, London
- Wilford H (2008) *The Mighty Wurlitzer: how the CIA played America*. HUP, MA
- Wilkinson R, Pickett K (2018) *The Inner Level – How more equal societies reduce stress, restore sanity and improve everyone's wellbeing*. Allen Lane, London
- Wood EM (2006) *Democracy as ideology of Empire*. In: Mooers C (ed) *The new imperialists: ideologies of empires*. Oneworld Publications, New York
- Xi Jinping (2014) *The Governance of China*. Foreign Language Press, BJ
- Xi Jinping (2017) *Secure a Decisive Victory in Building a moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era*, 19th National Congress of the Communist Party of China. http://subsites.chinadaily.com.cn/npc/2021-12/24/c_693899.htm
- Yu Yongding Y (2013) *Is mercantilism doomed to fail? China, Germany, and Japan and the exhaustion of debtor countries*. Institute for New Economic Thinking. Available from <https://www.ineteconomics.org/research/research-papers/is-mercantilism-doomed-to-fail-china-germany-and-japan-and-the-exhaustion-of-debtor-countries>
- Žižek S (2017) *In defence of lost causes*. Verso, London

Index

A

Africa, 9, 33, 52, 57, 69, 70, 120, 140, 142, 145–147, 149, 150, 175–177, 179, 193, 203, 205, 206, 219, 254, 257, 258, 267, 279, 282, 290, 342, 343, 384, 388, 390, 398, 401, 403, 453
 African, *see* Africa
 Allende, S., 124, 181, 337, 480, 504
 Althusser, L., 100, 153, 356, 394, 458
 American Civil War, 7, 8
 Argentina, 124, 149, 314
 Artificial intelligence (AI), xvii, 20, 26, 35, 36, 38, 41, 42, 64, 68, 79, 82, 84, 98, 126, 233, 260, 261, 266, 332–334, 338, 339, 344, 357, 360, 445, 447, 456, 460, 467, 469, 484, 502, 506, 507, 518, 544, 547

B

Bakhtin, M.M., 91
 Baran, P., 457
 Bateson, G., 82, 103, 356
 Baumol, W., 38, 41, 276, 451, 540
 Benston, M., 420, 432
 Bernstein, B., 458, 483, 489
 Bhaskar, S., 67, 93, 129, 444, 448
 Bhattacharya, T., 416, 431, 434
 Bloch, M., 114, 130
 Blunden, A., 371, 461, 534
 Bolivia, 124, 368
 Botswana, 147, 177, 258, 328, 366
 Bourdieu, P., 91, 104, 327, 392
 Boyer, R., 117, 141
 Brazil, 52, 56, 118, 152, 282, 387

Britain, xviii, 12, 27, 30, 35, 56, 118, 121, 123, 155, 156, 177, 218, 241, 242, 282, 283, 458, 490, 502
 Bukharin, N., 446, 453, 454, 487, 493, 494, 501
 Burkina Faso, 124
 Butler, J., 414, 427, 543

C

Canada, 118, 145, 150, 285, 398, 401, 501
Capital, xviii, 8, 11, 27, 42, 59, 67, 70, 99, 101, 116, 118, 127, 155, 183, 186, 190, 212, 217, 218, 289, 290, 311, 325, 336, 356, 387, 396, 399, 415, 430, 449–451, 454, 456–460, 462, 479, 507, 510, 511, 515, 529, 537, 539, 540
 Castells, M., 360, 448, 532
 Chávez, H., 124
 Cheng, E., 465, 466, 485, 491, 506, 529, 539, 547
 Chile, 4, 124, 314, 337, 494, 504–505
 China, xv, xvii, 4, 8, 9, 20, 33, 35, 56, 58, 63, 101, 111, 112, 116, 119–123, 145, 146, 148, 153, 170, 175, 178–181, 185, 187, 188, 193, 204, 207, 210, 211, 215, 219, 226–228, 254, 258, 261, 264, 266, 278, 279, 283, 285, 287, 290, 292, 306, 316, 327, 342–344, 355, 366, 368, 370, 372, 392, 400, 404, 421, 433, 435, 448, 466, 468, 479, 482, 485–487, 489, 491–494, 496, 501, 502, 504–506, 512, 513, 518, 524, 534, 535, 546, 547

Christophers, B., 402, 459, 532
Class Struggles in France, 10, 12, 141, 480, 489
 Commune, 4, 7, 11, 118, 122, 125, 127, 141,
 149, 157, 182, 212, 240, 337, 480,
 488, 489, 505, 510, 545
 Confucius, 27, 55, 59, 128, 353
 Consciousness, 5, 10, 13, 19, 54, 57, 77, 79,
 84, 88, 90, 91, 93, 97–99, 104, 112,
 123, 125–127, 130, 132, 145, 148,
 149, 157, 158, 189, 190, 232, 238,
 239, 242, 253, 268, 280, 311, 312,
 340, 356, 371, 382, 393–397, 401,
 404, 416, 419, 421, 433, 434, 436,
 449, 453, 460, 462, 467, 479, 483,
 490–496, 515, 533–535, 538,
 539, 541–543
Critique of the Erfurt Programme, 12, 483
Critique of the Gotha Programme, 12, 240,
 483, 510–511, 538
 Csikszentmihalyi, 360
 Cuba, 4, 20, 58, 124, 210, 337, 344, 404, 433,
 435, 479, 485, 489, 492, 501,
 504–506, 518
 Czarniawska-Joerges, 34, 253

D

Darwin, C., 10, 30, 63, 64, 180, 287, 288, 383,
 385, 393, 427, 428, 446, 454
 Daston, L., 421
 Deng Xiaoping, 85, 159, 496
 Descartes, R., 88
 Dewey, 331, 444, 447
 Draper, H., 355, 480, 482, 484, 489, 492,
 495, 545
 du Bois, W.E.B., 388, 397, 400

E

Egypt, 120, 147, 176, 468
 Enfu Cheng, 183, 185–186
 Engels, 1, 7–13, 44, 52, 58, 60, 61, 63–67, 70,
 71, 104, 112, 114, 118, 120, 124,
 126–128, 131–134, 140–142, 144,
 152, 158, 161, 180–183, 192, 193,
 201–203, 210, 211, 214, 218–220,
 226, 238–240, 242, 244, 254, 262,
 268, 273, 287, 292, 294, 311,
 323–326, 335–341, 344, 354, 356,
 357, 359, 362, 371, 372, 393–396,
 402, 414, 418, 422, 424, 430–432,
 448–450, 453, 482, 485, 487–489,
 492, 509, 510, 536, 538, 541

Engeström, Y., 52, 67, 78, 82, 84, 93, 97
 Epicurus, 54–57, 64, 81, 448, 536
 EPM, 9, 10
 Exchange-value (EV), 23, 24, 26, 40, 43, 66,
 100, 128, 150, 169, 190, 192, 202,
 203, 209, 210, 213, 214, 225, 233,
 242, 250, 262, 309, 324, 419, 430,
 445, 447, 450, 459, 500

F

Federici, S., 419, 421, 431, 432
 Fine, B., 292, 425
 Finland, xv, 18, 35, 51, 79, 98, 104,
 143, 206, 207, 231, 260,
 261, 292, 307, 309, 314, 331,
 334, 361, 362, 391, 416, 420, 460,
 468, 492
 Foster, J.B., 133, 372, 385, 387, 427, 445, 450,
 459, 516, 536
 Freeman, C., 446–448, 456, 502

G

Galbraith, J.K., 330, 335, 337, 338,
 433, 490
 German Ideology, 9, 10, 39, 57, 58, 157, 238,
 253, 311, 393, 394, 430, 488,
 509, 538
 Germany, 6, 11–13, 98, 127, 143–145, 149,
 154, 155, 172, 177, 187, 204, 206,
 215, 216, 219, 274, 278, 306, 314,
 326, 385, 388, 417, 419, 424, 486,
 487, 491, 501
 Ghanian, 257, 426
 Giddens, 25, 34, 35, 37, 41, 180, 337, 483
 Grabler, D., 532
 Grönroos, 37, 38, 41, 151, 233, 276, 369, 532,
 534, 540
Grundrisse, 59, 93, 128, 254, 309, 362, 430,
 449, 458, 507, 510, 514, 539
 Guatemala, 124

H

Haiti, 124, 386
 Hartsock, N., 414, 415
 Hegel, G.W.F., 9, 10, 19, 53, 57, 59, 66, 78,
 114, 121, 126, 128, 131, 132, 144,
 157, 238, 311, 394, 414, 457, 484,
 493, 537, 541–543
 Hobsbawm, E., 156, 464
 Hume, D., 91, 243, 383, 503

I

- Ilyenkov, E.V., 66, 79, 88, 90, 93, 339, 393,
395, 396, 414, 415, 448, 453, 460,
516, 517, 534, 535, 540, 542
- IMF, xvii, 145, 147, 174, 180, 252, 267, 367,
416, 459, 532
- India, 8, 60, 64, 116, 118, 122, 145, 146, 211,
215, 228, 254, 274, 278, 284, 290,
324, 326, 327, 330, 333, 368, 387,
388, 390, 392, 400, 404, 418, 452,
466, 468, 501
- Italy, 144, 145, 149, 204, 216, 306, 307, 314,
362, 388, 401, 487, 501

J

- Japan, 53, 118, 144, 145, 155, 170, 172, 176,
178, 179, 187, 204, 278, 307, 326,
355, 384, 421, 446, 447, 487, 501,
502, 504

K

- Kantorovich, L.V., 504
- Kautsky, K., 13, 181, 182, 193, 458, 483,
489, 503
- Kazakhstan, 52, 143, 207, 423
- Kenya, 147, 175–177, 334, 386
- Kinder, T., 132, 417, 493, 530
- Kollontai, A., 414, 416, 419, 420, 424, 429,
431, 435, 508, 515
- Kooiman, 35, 151, 532, 534
- Koskimies, E., 332
- Kuznets, S., 462

L

- Laclau, E., 130, 149, 448
- Laos, 20, 468, 479, 489, 492, 504, 505, 518
- Lassalle, F., 12, 482, 503
- Lefebvre, H., 120, 354, 370
- Lenin, V.I., 6, 9, 62, 64, 78, 99, 117, 118, 122,
124, 125, 140–142, 149, 155, 158,
172, 174, 182, 184, 188, 192, 253,
292, 293, 301, 313, 316, 317, 337,
371, 372, 394, 397, 419, 465, 482,
486, 487, 493, 508, 515–517, 538,
545, 546
- Levykh, M.G., 312, 428, 429, 463
- Lewontin, R., 326, 337, 385, 427
- Liebeg, J., 52, 61
- Liu, S., 482, 485
- Liu, X., 372

- Liu, Y., 416
- Locke, J., 65, 383, 454, 543
- Lukács, G., 394, 542, 543
- Lumumba, P., 4, 124, 314, 480, 494
- Luxemburg, R., 124, 143, 182, 193, 314, 416,
419, 483, 492

M

- Manifesto*, 7, 8, 11, 12, 118, 212, 218, 393,
430, 433, 448, 484, 541
- Mao Tse Tung, 9, 118
- Marcuse, H., 91, 354, 371, 433
- Marx, K., 97
- Mauritius, 147
- Mazzucato, 30, 34, 116, 126, 140, 154, 363,
453, 467, 503
- Mészáros, I, 131, 133, 512, 514, 543
- Metabolic rift*, 4, 17, 24, 29, 39, 40, 42, 52, 53,
58, 61, 65, 70, 133, 240, 287, 339,
352, 357, 359, 372, 387, 445, 450,
459, 478, 496, 512, 516, 534,
536, 537
- Mexico, 4, 216, 285, 386
- Mouffe, C., 130, 149, 448

N

- Nardi, 93, 97
- Nicaragua, 124, 386, 494, 501
- Nordic, 17, 18, 33, 35, 102, 120, 126, 140,
143, 144, 147, 148, 156, 171, 172,
179, 207, 274, 324, 326, 341, 390,
401, 421, 485, 490, 492, 532
- North, 20, 227, 285, 359, 366, 400, 448, 466,
479, 489, 492, 504, 505, 518
- North Korea, 20, 479, 489, 492, 504, 505, 518
- Norway, 143
- NPM, xvii, 2, 25, 30, 31, 33–36, 41, 42, 44,
78, 79, 97, 104, 125, 131, 132, 140,
141, 149–152, 156, 169, 170,
177–180, 182, 183, 191–193, 226,
249, 252, 255–257, 261, 265, 267,
324, 327, 329, 337, 368, 370, 373,
414, 417, 432, 433, 452, 467, 469,
524, 529–533

O

- Origins, 88, 144, 212, 218, 219, 254, 262, 355,
382–385, 418, 422, 424
- Osborne, D., 37, 38, 233, 368, 532, 540
- Ostrom, V., 30, 41

P

Pakistan, 146
 Panama, 124, 237
 Piketty, T., 281, 324, 325, 338, 341, 343, 532
 Podolinsky, S., 63
 Pollitt, 546
 Poulantzas, N., 142, 337
Preface to Critique of Political Economy, 11
 Preobrazhensky, E., 116, 266, 355, 464, 485, 487, 503, 514, 533
Principles of Communism, 127, 488, 509
 Przeworski, A., 483, 484

R

Radnor, 83, 329
 Ratner, C., 427, 435
 Ricardo, D., 2, 65, 503
 Roberts, M., 177, 183–185, 188, 327, 387, 404, 485, 511, 529, 531, 536, 546
 Robinson, C.J., 315, 366, 396, 400
 Rockhill, G., 414, 490
 Rodney, W., 386, 397, 403
 Rosenberg, N., 452, 457, 458, 463
 Russia, 4, 8, 62, 65, 89, 116, 118, 121, 122, 124, 145, 155, 174, 182, 254, 314, 316, 355, 358, 371, 392, 404, 419, 433, 467, 481, 482, 485–487, 489, 493, 494, 518, 533, 546

S

Schatzki, T.R., 91, 93, 104, 433, 535
 Schumpeter, J.A., 446, 448
 Scotland, xv, 56, 97, 104, 121, 123, 142, 180, 207, 235, 237, 256, 261, 278, 292, 306, 324, 334, 341
 Senegal, 147, 176, 285
 SIOC, 20, 478, 486–487, 496, 514
 Smith, A., 2, 65, 123, 351, 543
 Social Darwinism, 5, 18, 92, 287–288, 293, 326, 385, 404
 Social learning, 94, 95, 97
 Sohn-Rethel, A., 361, 449, 450, 457
 Spain, 4, 56, 124, 144, 149, 267, 306, 314, 327, 360, 386, 487
 Stenvall, J., 132, 417, 493, 530
 Sudan, 64, 124, 468
 Sweden, 51, 126, 143, 172, 178, 205, 215, 306, 384, 390, 420, 484, 492
 Sweezy, P., 457

T

Tanzania, 147, 292
 Technology, 68
The Civil War in France, 127
 Thompson, E.P., 464
 Thompson, M., 458
 Trade Unions, 35, 80, 147, 148, 150, 181, 192, 234, 274, 365, 398, 468, 485, 490, 533, 547
 Trotsky, L.D., 118, 122, 182, 193, 481, 486
 Tunisia, 147

V

Venezuela, 4, 124, 266
 Vernadsky, V.I., 181, 454
 Vietnam, 4, 20, 58, 314, 479, 489, 492, 504, 505, 518
 Vygotsky, L.S., 89, 90, 93, 94, 96, 128, 134, 312, 414, 427, 428, 435, 450, 454, 460–462, 507, 511, 515–517, 534, 535

W

Wage, Labour and Capital, 11
 Wallerstein, I., 387, 545
 WB, xviii, 145, 174, 176, 180, 252, 255, 258, 267, 459, 532
 Weber, M., 447, 546
 Weick, K.E., 392, 463
 Wendling, A.E., 446, 499
 Wittfogel, K., 123, 254
 Wood, G.S., 386, 424, 425, 447, 457, 492, 532
 World Trade Organisation (WTO), xviii, 145, 174, 175, 180, 252, 503, 532

X

Xi Jinping, 317, 343, 492, 535, 547

Y

Yeoman, R., 91, 104, 433, 448, 535

Z

Zetkin, C., 123, 202, 219, 416, 419, 421, 424, 431, 436