

# Hermann Lueer

## A Better World is Possible!

»If the cell form of capitalism is the commodity, the cellular form of a society beyond capital is the common. A commodity is a good produced for sale, a common is a good produced, or conserved, to be shared. The notion of a commodity, a good produced for sale, presupposes private owners between whom this exchange occurs. The notion of the common presupposes collectivities – associations and assemblies – within which sharing is organized. If capitalism presents itself as an immense heap of commodities, »commonism« is a multiplication of commons.«<sup>1</sup>

Under the slogan »globalization« the prevailing economic system of the leading industrial powers every day creates the constraints due to which, aside from »help to self-help« nothing can be done for the losers of the competition. Despite the wonders of technology in the 21st century, global hunger, no access to clean water for one sixth of humanity, bitter poverty, and miserable working conditions are a normal part of the global economic system. Not only in the so-called developing countries, but in the successful industrial nations as well, the official poverty reports point up the growing discrepancy between what is shown as the wealth of the nation in the gross national product and calculated as per capita income and that what the majority of the population gets from this. In the market economy, old-age poverty, child poverty, unemployment, education and health care crises cannot be avoided for economic reasons, for ensuring national competitiveness. For more than 200 years, the labor movement has tried in vain to tame capitalism; it's time to demand it be eliminated!<sup>2</sup>

The alternative is quite simple in principle. Instead of accepting the objective of individual gain on the basis of private ownership of the means of production, the goal should become satisfying individual needs on the basis of community ownership of the means of production. As in every form of society, three fundamental decisions must be made: who determines needs, how will the necessary labor be organized, and how will the results of labor be distributed.<sup>3</sup>

### The decision-making process

In a market economy, the money that someone has for whatever reason decides which needs are relevant in order to satisfy them in a social production process. What is produced (quality), how it is produced (labor and environmental conditions), for whom it is produced (distribution), where it is produced (separation between center and periphery),

---

<sup>1</sup> Nick Dyer-Whitford, Commonism, in: Turbulence, Nr. 1 <http://turbulence.org.uk/turbulence-1/commonism>

<sup>2</sup> For arguments against the market economy see: GegenStandpunkt, Work and Wealth, [www.gegenstandpunkt.com/english/workandwealth/1-sec-1.html](http://www.gegenstandpunkt.com/english/workandwealth/1-sec-1.html), David McNally, Against the Market. Political Economy, Market Socialism and the Marxist Critique, Verso 1993 and Hermann Lueer, World Food Crisis, World Financial Crisis, what is next? (forthcoming)

<sup>3</sup> The alternative to capitalism, the question as to how a society beyond market and capital can be organized, was only briefly addressed by Karl Marx with his example of the »association of free human beings« (Karl Marx, Capital, Vol. 1, p. 171f and the Critique of the Gotha Programme part 1) Based on the success of what is known as peer production (Linux, Wikipedia etc.) the issue of how the decision-making process regarding goods and services to be produced could be organized without private property and market, how it can be ensured that the necessary tasks are carried out in a form of society based on common property, and how a satisfactory coupling of give and take with respect to the distribution of the results of production can be achieved, was analyzed in detail and answered by Christian Siefkes. cf.: Christian Siefkes, From Exchange to Contributions. Generalizing Peer Production into the Physical World, Version 1.01b, July 2008

and whether anything is produced at all (crisis), is decided by the market under capitalism. If there is sufficient *solvent* demand and it is worth it for the owner of the means of production, almost anything is possible – from high quality luxury goods to food scandals. Then overtime and night shifts are necessary and work cannot be long and intensive enough, with no regard to health and private interests. When it is not lucrative for the private owner to have other people work, millions of people starve in the market economy next to existing resources and means of production.

By contrast, the starting point for production based on common property is determining the needs of the population in relation to the labor to be provided. In a cooperation of equals (peer economy), production is driven by need, not by profit. The means of production are controlled by the producers, not by individual private owners. »In peer production, things are produced and services are organized if there are people who want to have them and who are willing to jointly spend the amount of labor that is necessary to get them.«<sup>4</sup>

Determining needs is simple. If we for one moment disregard the variety of brands necessary in the market economy due to competition, the basic quantitative and qualitative need for food, clothing, living space, and infrastructure as well as the need above and beyond this for consumer and luxury goods is simple to determine. The social planning efforts for material acquisition, production, and logistics are also considerably lower in production based on common property compared to the market economy. In a market economy planning is conducted down to the last detail in companies parallel and in competition with one another due to their opposing interests and depending on their success, the investments made in production, logistics, and sales facilities, must be constantly reviewed and adjusted. In production based on common property the multiplication of planning is eliminated.

In the market economy, fundamental socio-political decisions are made in democratic competition between parties in that the people cast their vote generally every four years. The votes authorize the representatives of the elected party to implement the necessary measures for the »*wealth of the nation*«. »No possibility of any kind to influence the later decisions of state authority is associated with the voter's declaration of sympathy for the party of his choice. The election produces representatives who are bound only to their own conscience, are not bound to mandates and instructions, and are thus expressly released from the obligation to the will of the voters. ... The voter's 'Yes' to a party eliminates any individual consideration or expectation that may have moved the voter to cast his vote and he is thus reduced to accepting to political sovereignty over him, separate from his interests and demands on policy.«<sup>5</sup>

A peer economy offers various forms of grass-roots or direct democratic processes for making fundamental decisions, in which – starting with grass-root bodies at the local community and company level up to organizations for overarching social planning and regulating affairs – the representatives are bound to basic instructions and can be recalled at any time. As it is naturally neither possible nor useful for everyone to be involved in every decision, a »rough consensus« must be sufficient in many cases to leave details to responsible representatives or experts.<sup>6</sup> In contrast to the market economy, in which individual gain is the maxim, in a society based on common property, the unifying factor even in the face of differences of opinion is the mutual interest of effectively organizing the labor necessary to fulfill the needs of society.

---

<sup>4</sup> Christian Siefkes, From exchange to contributions, Generalizing Peer Production into the Physical World, Version 1.01b, July 2008, p. 78

<sup>5</sup> Albert Krölls, Das Grundgesetz – ein Grund zum Feiern? [The Constitution – Cause for Celebration?], 2009, p. 189f

<sup>6</sup> On the concept of »rough consensus« and examples for decision-making in current major peer projects in the IT sector, see Christian Siefkes, p. 72ff

## The necessary labor

»The peer economy works by distributing the effort necessary to produce goods among the people who want to have them.«<sup>7</sup> The basic principle of the market economy is having others work for you by buying labor power in order to increase one's own private wealth from the difference between the price of labor power and the value it creates. In the market economy, the interest of the private owner of the means of production is to have the labor power work as long, as intensively, and as cheaply as possible. In production based on common property, the individual effort to be expended relativizes the benefit of the goods and services produced. In a society based on peer production it is therefore helpful to automate unpleasant tasks away, make the necessary work more fun (more agreeable, more interesting, safer, easier) or to shorten working hours as much as possible.

In the market economy, investments are made in machinery and equipment to facilitate or automate work if the ratio of investment to surplus makes it cost-effective for the owner in comparison with alternative investments. If wages for the labor power competing against each other on the labor market are less than investments in machinery, automation is not profitable for the company. Its production costs would rise compared with cheap labor power and it would risk losing out to the competition that did not invest in automation. In the market economy, hard work and physical wear and tear are not economically relevant with respect to the decision of how the work process is organized. »Shared production is very different in this regard – if all the members of a peer project want to avoid a specific task, they might spend considerable effort to get rid of it (or at least to reduce the amount or unpleasantness of the necessary work) ... There are many possibilities here that depend on the nature of the task: unsafe working conditions can be made safer; obnoxious work schedules can be abandoned ... generally, many tasks can be made more fun, more interesting, more challenging than they are now – especially when those who do the task decide on how to do it, as is normal for peer projects.«<sup>8</sup> Moreover, in a peer economy, unpleasant tasks that cannot be made easier or shortened by improved methods can be reduced by giving them more weight. »An unpleasant task gets more pleasant if it takes a shorter amount of somebody's time, giving them more time to pursue other interesting projects ... If I have to decide whether I prefer spending the same amount of time on a task I like more (say, writing software) or one I like less (say, removing garbage), it won't take me long to choose the former. But if the question is whether I spend 20 hours a week writing software or five hours a week removing garbage, I'm likely to have second thoughts.«<sup>9</sup> For the purpose of harmonizing the consumer perspective of the members of society (certain tasks have to be done) with the producer perspective (some tasks are more popular than others), a task auctioning mechanism can be arranged in a peer production system. »A peer project can set up a task auctioning system where the participants can choose the tasks they prefer doing among all available tasks. Tasks that don't attract sufficient volunteers are then weighted higher (i.e., people picking them up will have to do less work for the project) until there are enough people willing to accept the time/task trade-off. Similarly, tasks which are more popular than necessary are weighted lower, so the people who want to do them will have to reconsider whether they prefer spending more time with this task or whether there isn't another task they also like doing that gives them more time for other activities. Thus, a weighted hour of labor could be used as unit for measuring contributions ... Such a task auctioning mechanism is a way to ensure that all relevant tasks are handled, while at the same time allowing everybody to freely choose the activities they prefer; nobody is forced into doing or not doing certain things.«<sup>10</sup>

---

<sup>7</sup> Christian Siefkes, From exchange to contributions, p. 120ff

<sup>8</sup> Christian Siefkes, From exchange to contributions, p.26f

<sup>9</sup> Christian Siefkes, From exchange to contributions, p.28f

<sup>10</sup> Christian Siefkes, From exchange to contributions, p.29f.

In capitalism as well, with respect to the labor market, no one is directly forced to do or not do anything. In the market economy, the necessary work is distributed by having the poor laborers compete for jobs in the job market. Those who for whatever reason do not land one of the attractive, well-paid jobs have to do less pleasant work for less money. Since access to education – like everything in the market economy – depends on how much money one has, capitalism generates and manifests a division of the population into qualified and less qualified, cheap labor power in line with the business interests of capital. Those who are unlucky and find no profitable unemployment live without work at the subsistence level next to the wealth of the world and, outside the richest industrial countries of the world, even under the minimum. In the peer economy in which the effort required to produce goods is shared among the people who want the goods, unemployment simply means that the required labor to be shared by all has been completed and leisure time has begun.

### **The coupling between giving and taking**

In the globalized market economy, the coupling between giving and taking is organized on the basis of private ownership of the means of production so that the approx. 10% of the world's population that owns 90% of the wealth use capital to have others work for them and thus steadily increase their wealth. As all goods produced are the private property of the owners of the means of production, the amount of money that a person possesses divides the population into poor and rich. In the market economy, even things that could be shared at no additional effort are protected from being used by others for the purpose of commercial exploitation (company secrets, patents, copyright for electronic media, software, etc.). In a peer economy it would be stupid to keep ideas and know-how secret instead of sharing them. In a peer production system, resources and means of production are common property just as are the goods produced by them that are used and that, in contrast to property, can be handed over to others if they are not used.

Starting from a capitalist society that, based on the principle of competition for the power of money, provides permanent reasons for boasting, lying and fraud, murder and killing, it would be naïve to believe that it is simple to introduce common property and by this organize the coupling between giving and taking according to the phrase »from each according to his ability, to each according to his needs«. Even in a society based on common property, members of the society who consume the goods and services provided are expected to contribute something to their production. The question is: How can the coupling of giving and taking be organized in a peer economy?

Various sharing models are conceivable depending on the particular characteristics of the goods to be shared:<sup>11</sup>

»The coupling between giving and taking is achieved through projects that determine the effort required to produce goods and pass this on proportionally to the consumers of the goods. If the proportional allocation model is used, it is expected that consumers 'return' their share of the production effort to the pool by performing tasks for the pool to the same extent.«<sup>12</sup> The labor time is used here as a gauge of the individual producer's share of the common task and therefore of the individual consumable portion of the common product as well. The producer »receives a certificate from society that he has furnished such-and-such an amount of labour (after deducting his labour for the common funds); and with this certificate, he draws from the social stock of means of consumption as much as the same amount of labour cost. The same amount of labour which he has given to society in one form, he receives back

---

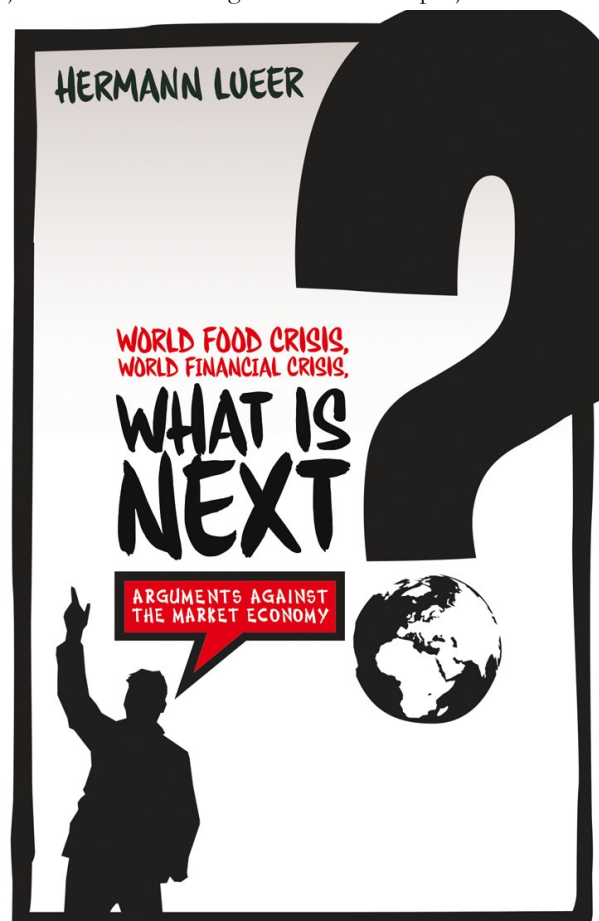
<sup>11</sup> cf. Christian Siefkes, *From Exchange to Contributions*, p. 32ff

<sup>12</sup> Christian Siefkes, *Ist Commonismus Kommunismus?* in: *Prokla, Zeitschrift für kritische Sozialwissenschaft*, Heft 155, 39. Jg., 2009, No. 2, p. 255

in another.«<sup>13</sup> The similarity to the commodity trading is misleading, for »content and form are changed, because under the altered circumstances no one can give anything except his labour, and because, on the other hand, nothing can pass to the ownership of individuals, except individual means of consumption.«<sup>14</sup>

In the flat-rate model, the total effort of production is also distributed to all consumers, but independent of individual consumption (infrastructure, health care, or food). »In peer production, the equivalent model means that a flat amount of contributions is required and that everybody who contributes sufficiently to a peer project can choose freely from the results of the project.«<sup>15</sup> Another possibility of coupling giving and taking is to auction products instead of tasks. »If there is more demand for any given product than can be satisfied, a peer project can raise the relative cost (the amount of required contributions) of this product until sufficiently many of the prospective users get second thoughts (upward auctioning). ... Note that it is the relative cost that is modified – if the relative cost (amount of contributions) for one specific item is increased, the relative costs of all other items will automatically fall. ... If a member of society assumes additional tasks to acquire a product whose relative cost has been increased by upward auctioning, the other members of society have less to do – and more time for other activities ... After all, the whole effort necessary to fulfill the goals of a peer project is just distributed among its members – a project needs to ensure that all tasks are picked up, but, beyond that, 'there is nothing left to do' (within the limits of the project), so people can and will spend their remaining time and energy in other ways.«<sup>16</sup>

When the contradiction between seller and buyer, between employer and employee is abolished when common property is introduced, when a peer society has been developed on the basis of the common purpose of producing common goods, that is, 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!«<sup>17</sup>



<sup>13</sup> Karl Marx, Critique of the Gotha Programme part 1, Marx/Engels Collected Works Vol. 24, <http://www.marxists.org/archive/marx/works/1875/gotha/ch01.htm>

<sup>14</sup> Karl Marx, Critique of the Gotha Programme part 1, Marx/Engels Collected Works Vol. 24

<sup>15</sup> Christian Siefkes, From exchange to contributions, p.33

<sup>16</sup> Christian Siefkes, From exchange to contributions, p.36

<sup>17</sup> Karl Marx, Critique of the Gotha Programme part 1, Marx/Engels Collected Works Vol. 24