



Encyclopedia of Activism and Social Justice

Democratic Socialism

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The relationship between democracy and socialism is a curious one. Both traditions are rooted philosophically in the concept of equality, but different aspects of equality are emphasized. Democracy appeals to political equality, the right of all individuals to participate in setting the rules to which all will be subject. Socialism emphasizes material equality—not strict equality, but an end to the vast disparities of income and wealth traceable to the inequalities of ownership of means of production.

Of course there can be material equality without democracy, as well as democracy without material equality. Plato advocated a material equality for the “guardians” of his ideal state. (Those entrusted with ruling would live modestly, take their meals in common, and, to forestall the temptation to enrich themselves, keep their storehouses open for inspection and never handle gold or silver.) Many religious orders have practiced a material egalitarianism while emphasizing strict obedience to one's superiors. Conversely, in most contemporary democratic societies, material inequalities are vast and growing. (The upper 1% of U.S. households now own nearly 40% of all the privately held wealth of the nation.)

From the beginning it has been recognized that political equality is likely to produce demands for material equality. If people are truly equal, why should a few be so rich and so many so poor? If the majority can make the laws, what is to prevent them from redistributing the wealth? Political theorists from Plato through the Founding Fathers of the United States, from John Stuart Mill to the present, have warned of this tendency.

Plato saw democracy as inevitably degenerating into tyranny, for the demos would try to redistribute wealth, the wealthy would rebel, and the people would call on a strongman to aid their cause, but he would not relinquish power once installed. Alexander Hamilton urged that first-class people, the rich and well born, be given a permanent share of the government, so as to check the imprudence of democracy. Mill worried that the majority would compel the wealthy to bear the burden of taxation, so he proposed that the more intelligent and knowledgeable be allowed multiple votes and that mode of employment serve as a marker for intelligence. He took it to be self-evident that the employer of labor is on average more intelligent than a laborer.

More recently, the Trilateral Commission, a gathering of elites from the United States, Western Europe, and Japan (the brainchild of David Rockefeller and forerunner of the World Economic Forum) issued a widely read report warning that the democratic distemper of the 1960s and early 1970s threatened to render capitalist countries ungovernable.

Unlike the pre-eminent political theorists from antiquity, until quite recently, virtually all the early self-described socialists (a term that seems to have been first used as a self-ascription by Robert Owen in 1827) were ardent democrats. Marx and Engels in their *Communist Manifesto* proclaimed that the first step in replacing capitalism with a new and better economic system is to raise the proletariat to the position of ruling class. Marx and Engels and virtually all of their socialist contemporaries saw the political empowerment of society's disenfranchised as a necessary step in the transformation of capitalism into a more humane social order.

Few socialists prior to the 1920s would have imagined a “contradiction” between socialism and democracy. Prior to the Russian Revolution, there were no socialist countries anywhere, nor any fully democratic ones. (In no country did women have the right to vote. Racial minorities were often excluded from the political process. Dominant capitalist countries presided most undemocratically over their colonial empires.) It seemed obvious to socialists everywhere that democracy was a stepping stone to socialism.

The Russian Revolution changed the equation dramatically. Many socialists began to question the link between socialism and democracy. On the one hand, existing democracies showed themselves to be deeply hostile to socialism. On the other hand, existing socialism turned out to be anything but democratic.

The United States, for example, having gone to war to “make the world safe for democracy,” reacted swiftly to the events in Russia (well before the Bolshevik Revolution had become Stalinist), imprisoning the nation's leading socialist, Eugene Debs, along with dozens of other socialist leaders. (Debs had garnered 6% of

the vote in the 1912 presidential election, and hundreds of socialists were elected to public office.) Socialist legislators were expelled from office, and the socialist press was banned from the mails.

Moreover, there was virtually no resistance on the part of democratic capitalist countries to the spread of fascism throughout Europe. Indeed, the United States, France, and Britain remained resolutely neutral while the forces of General Franco, aided by fascist Italy and Nazi Germany, waged a successful civil war against the democratically elected government of Spain. So long as anti-democratic forces were anti-socialist or anti-communist, they could count on the support of the democratic governments of the West. Meanwhile, the one country in the world calling itself socialist turned out not to be democratic in any recognizable sense of the term.

Some socialists tried to reconcile these deeply disappointing developments by distinguishing between “bourgeois democracy” and “proletarian democracy,” the former viewed as fraudulent. Some went on to argue that, given the implacable hostility of powerful capitalist countries to socialism, a dictatorial phase was necessary in order to make the transition to authentic (proletarian) democracy.

Others felt that Stalin had betrayed the revolution. The Soviet Union was declared to be neither democratic nor socialist. Still others, nonsocialists as well as socialists, argued that democracy was a political category, whereas socialism designated an economic system. Hence any of four categories is possible: democratic capitalism, nondemocratic capitalism, democratic socialism, and nondemocratic socialism. There is no necessary connection between democracy and either form of economic organization.

Following World War II, the discourse took another turn. The Soviet Union was no longer the sole representative of actually existing socialism. The Red Army had defeated Hitler's army on the Eastern Front and driven it out of Eastern Europe. As it retreated, pro-Soviet regimes were installed in its wake, none of them democratic. Moreover, a socialist revolution occurred in China, and many were brewing elsewhere in the Third World. In almost all instances these movements, inspired by the successes of Russia and China, had little sympathy for bourgeois democracy.

As the cleavage between socialism and democracy appeared to widen, the connection between capitalism and democracy seemed to grow stronger. Having lost the war, Japan and Germany lost their colonies. So too, soon enough, did most of the other European nations (reluctantly and often only after fierce struggle). The United States, for its part, granted (quasi-) independence to the Philippines. With capitalist fascism and overt colonialism mostly gone (Portugal would retain its African colonies into the 1970s), a new pair of equations gained prominence: capitalism = democracy, socialism = totalitarianism.

Of course the first equation could not be defended intellectually, however much it was embedded in popular consciousness. (In the United States, the Cold War was typically seen to be a battle between democracy and communism.) After all, there had been and still were nondemocratic capitalist countries. Moreover, capitalist democracies continued to support nondemocratic regimes abroad, however brutal, so long as they were anti-communist. On occasion, capitalist democracies would even instigate the replacement of democratically elected governments with viciously authoritarian ones.

The second equation, however, had its intellectual supporters. Milton Friedman (later to be awarded a Nobel Prize in Economics) argued that capitalism was a necessary, although admittedly not sufficient, condition for democracy. He argued that socialism involves replacing decentralized market mechanisms with conscious central planning, and that such central planning is not only inherently inefficient, but it necessarily concentrates power in the hands of the small class of planners. With economic power so concentrated, the concentration of political power is inevitable. Moreover, this concentration virtually rules out dissent, because all media, indeed all jobs of any sort, are controlled by these planners. The inevitable outcome is totalitarianism.

Friedrich von Hayek (also awarded a Nobel Prize in Economics) went still further, arguing that even social democratic reforms intended not to overthrow capitalism, but only to curb the excesses of the market, would

have the same result, being nothing less than the road to serfdom.

Hayek's argument was in part a response to a new division that had emerged among socialists, the division between social democrats and democratic socialists. The former had made peace with capitalism and concentrated on humanizing the system. Social democrats supported and tried to strengthen the basic institutions of the welfare state—pensions for all, public health care, public education, unemployment insurance. They supported and tried to strengthen the labor movement. The latter, as socialists, argued that capitalism could never be sufficiently humanized and that trying to suppress the economic contradictions in one area would only see them emerge in a different guise elsewhere (e.g., if you push unemployment too low, you'll get inflation; if job security is too strong, labor discipline breaks down.)

This division has become ever more pronounced since the demise of the Soviet Union. Today the major "socialist" parties of Europe, as well as the Labour Party of Great Britain and many former communist parties, have explicitly distanced themselves from socialism as traditionally understood and are now social democratic parties. There remain smaller parties in almost all countries, often split-offs from the major parties, that retain their allegiance to socialism. In the United States those small parties still bearing the name socialist (e.g., Socialist Party USA, Socialist Workers Party) are still committed to socialism, as is the largest socialist organization, the Democratic Socialists of America, an organization that does not consider itself a political party.

Today there are few socialist organizations or self-identified socialist thinkers or activists who do not consider themselves democratic socialists. Indeed, the argument is now often made, more forcefully than ever before, that a true democrat, a radical democrat, must be a socialist. This argument—a mirror-image of the Friedman argument—purports to show that it is capitalism, not socialism, that is incompatible with genuine democracy.

It is argued that capitalism inevitably gives rise to vast disparities of wealth, and that this economic power inevitably translates into political power. In support of the first clause of the argument, one points to the ever-increasing concentration of wealth in capitalist countries following the collapse of capitalism's ideological rival, the existence of which had checked somewhat capitalism's rapacious tendencies. In support of the second, one points to the enormous role that money plays in contemporary elections, and the fact that virtually all the major media are owned by corporations, which are, in turn, controlled by the wealthy. To these considerations is added a theoretical argument. If an elected government should make a serious attempt to rein in the power of capital, an "investment strike" would ensue, bringing on a severe economic downturn that will have a negative impact on everybody. The offending government will be quickly voted out of office. So long as a small class has such power, real democracy is impossible.

This argument raises a deep question about the meaning of the term democracy. Are capitalist democracies truly democratic? The term socialist is also much contested. Virtually all socialists have distanced themselves from the economic model long synonymous with socialism (i.e., the Soviet model of a nonmarket, centrally planned economy). The validity of the Friedmanite critique of this specific form of socialism has been (at least implicitly) acknowledged. Some have endorsed the concept of market socialism, a postcapitalist economy that retains market competition but socializes the means of production and, in some versions, extends democracy to the workplace. Some hold out for a nonmarket, participatory economy. All democratic socialists agree on the need for a democratic alternative to capitalism. There is no consensus as yet as to what that alternative should look like.

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See also

- [Communist Manifesto](#)
- [Debs, Eugene V.](#)
- [Democracy](#)
- [Engels, Friedrich](#)

- [Fascism](#)
- [Harrington, Michael](#)
- [Marx, Karl](#)
- [Mill, John Stuart](#)
- [Owen, Robert](#)
- [Participatory Economics](#)
- [Social Democracy](#)
- [Socialism](#)

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