

The editors, *Monthly Review*.

I have chosen to provide you with an open letter which I hope you will publish in response to the article: *Planned Degrowth: Ecosocialism and Sustainable Human Development* by John Bellamy Foster.

Firstly, the good news before the bad news. I consider your journal to be amongst the best on the left journals which is why it is one of the few journals I have a subscription with. I also applaud the valiant and commendable work you have done confronting the environmental crisis humanity faces. In particular your dissemination of the writings of Karl Marx and Friederick Engels. Your journal has been a good educator.

Now the bad news, your understanding of the Soviet Union and planning is inadequate. I say this without a trace of arrogance. This is not a subjective assessment but an objective one, measured by what has passed and what is to come, set against the context of the deepening crisis facing the international working class. I will expand this observation below in case you are offended which is not my intention. But before doing so, I would like to point out I do not subscribe to the view that recipes cannot be provided for the future communist cookbook for society. Instead, in the light of the debacle of the [USSR](#), the failure to analyze its fall and offer explanations and proposals for the future would be less of a recipe, more a suicide note.

### **The distinction between the common fund and planning.**

There is a single objective test to determine whether or not *Marx's Critique of the Gotha Programme* is understood or not. That test is the distinction between the common fund and planning itself. The common fund or social fund as I call it, represents the voluntary deduction by the associated producers of part of their product to be set aside for collective use or consumption; new investment, insurance, administration, social care, pensions and so on. This much is understood

Just as rights cannot rise above the economy so inherited, so too the social fund. That connection is never made but both are equally important. When the left discusses planning by committees, expert groups, national and local agencies, they are not discussing planning but the organisation of the social fund. This has nothing to do with planning for individual need, or the part of the social product post-deduction. This form of planning I have called [consumer led planning](#) (imminent in capitalism) and which is found in my programme. Workers give of their labour and are rewarded by the products of their choice. If there is one lesson to be learnt from the USSR it is this, nothing must be allowed to stand between the worker's individual expenditure of labour and their enjoyment of the results of their labour.

To think otherwise is patronizing and alienating. Imagine if today we were to tell workers what they can and cannot consume. We would be worse than the marketing departments which populate corporation influencing and manipulating consumption. In the USSR it was the planning bodies, part of an oppressive state, who were the active part deciding what was to be produced for the workers. In a true communist society it is consumers who are the active part while the planners are the passive part, a reversal of roles. Planners do not decide what is to be produced, instead they simply aggregate the instructions given to them by consumers who know what their balances are and what things cost to produce in real time. Thus the planners only focus on the **how** to produce, not the **what** to produce, without which it is impossible to plan consciously never mind democratically.

Now it needs to be pointed out that *consumer led planning* is not confined to the productive sector alone, that is the workers producing the means of production and articles of consumption, but to the sector

resourced by the deductions from the social product as well. Here administrators, carers, educators, pensioners etc. would also decide what they wish to consume from the range of actualities and possibilities no different to those engaged in production itself. Thus consumer led planning spans the entirety of production other than production of means of production and means for repairing the planet.

At first the social fund will be restricted by the size of the economy, making hard compromises necessary, but as our communist economy expands so too will the social fund expanding possibilities. At first individual consumption will dominate production, but in time as the social fund expands, its relative weight will increase while the relative weight of individual consumption will fall. To those who want a brief definition of the distinction between the lower and higher stage of communism, the following will suffice. Because the social fund is the conveyor belt between the two stages, we are entitled to define the higher stage as the time when the social fund forms the greater part of the social product, for this is the point when production is largely devoted to fulfilling the collective need rather than satisfying individual wants.

How will a communist society fund the repair of the planet? In two ways and we need to be concrete about this not whimsical. Under capitalism the only costs the capitalist class recognizes are the ones they have to pay for, the ones that cost them cash. The sum of their paid costs of production represents the capitalist cost price which they are always seeking to reduce in order to boost their profits. Here then in its rude simplicity is the cause of the destruction wrought on the working class and the planet.

The actual cost of production is the cost to the worker while the paid costs of production is the cost to the capitalist. The difference between these two costs, the unpaid costs, represents the undivided profits of the capitalist class. I do not want to make a meal of this but instead say that innately, workers have no interest in any cost other than the actual costs of production because it represents the expenditure of their labour.

This applies as much to the planet as it does to their own well being, because now they cannot be separated. The actual cost of producing a thing is now understood to represent the aliquot share of the labour time of society needed to produce the thing without any detrimental environmental impact, which in any case would rebound back on the producer. In other words, an additional quantum of labour is set aside to undo any environmental impact so that the production of that thing is eco-neutral.

What then of rehabilitation itself? That will come from the social or common fund. This may come under the general heading of 'insurance' or not. Over time as planetary rehabilitation becomes cumulative and exponential the share of the social fund devoted to this aspect will fall. To the degree that the social fund needs to expand initially in the form of an emergency fund dedicated to the planet, it will act to dampen personal consumption by increasing deductions. Over time, to the degree that these deductions recede, it will act to increase personal consumption.

Which brings me to the nub of my letter which addresses your articles in the July-August edition around the theme of '*Planned Degrowth*'. I will proceed on the basis that the matter needs to be dealt with concretely. The best estimates suggest the universal rate or *degree of exploitation* is at least 60% or higher if we remove the top 1% of wage earners, which includes senior managers and board directors whose salaries are correctly lumped in with the rest of us. But let us settle for 60%. On top of this Saez et al have calculated that within the advanced economies, one half of all workers are unproductive workers who are engaged in the metabolism of capitalism by accounting for the circulation of private property or arguing over it, marketing, selling, supervision and so on. Taking all this into account, abolishing exploitation, and

unproductive labour (or at least most of it) ensures that the average worker could maintain their standard of living by working only a quarter the hours they work currently or were they to work their full hours to advance their standard of living it would rise four-fold.

This point is similar to that of a trade union negotiation. It's no use using verbs like more pay needed, it needs a number on it. Here is the magic number: 4. Does this mean I support degrowth. Not at all. I have worked in the poorest parts of Africa, and I know not only what poverty looks like but how it feels. Although the average per capita income based on global GDP divided by adult population is over \$12,000 P.A. this is still insufficient to satisfy basic needs and remedy unevenness.

Comrade Foster, I agree with you that GDP is designed to measure only wealth and not the manner nor the consequences of amassing this wealth. It is also not a measure of the total expenditure of labour as it is confined to only those expenditures resulting in sold commodities, avoiding private expenditures such as domestic labour both at home and in the natural economy. But as the bulk of production is commodity production it is a guide to the productivity of humanity.

And here we have to address the central contradiction. As capitalism becomes more productive so dialectically it necessarily becomes more destructive. The communist revolution resolves this contradiction by ensuring that the increased productivity of labour is devoted solely to production amplified by the conversion of the means of destruction into the means of production. What better example than arms spending. At \$1.1 trillion p.a. that is sufficient within 5 years to provide sufficient desalinated water, not only to cover shortfalls in potable water worldwide, but to begin to green deserts.

The capitalists talk of carbon capture or better still finance capture while the environmentalists talk of growing trees to capture carbon. Let us take it further. Growing trees can do the job, but only if we cut them down time and again and repeatedly bury the trunks and thick branches underground in suitable locations, thereby reversing the centuries old carbon process which took from the ground and put into the atmosphere, to, removing from the atmosphere to put back into the ground. Using nature to save nature. I look forward to the time, no I am actually jealous I will not be there, where an army of millions of the young, drawn from all over the world productively planting and tending to our world and to our deserts, instead of being made to fight each other in the name of private property. What joy will be found; what friendships will be made? Now, that is a future worth fighting for.

Our concern before even discussing degrowth is how we make a revolution which not only abolishes private ownership of the means of production and life but preserves these means of production. If we lose the means of production because the capitalists would rather nothing lives unless they rule, we will lose everything together with all possibilities. To prevent this we need a programme which inspires workers and isolates the capitalists. I am not convinced that degrowth forms part of this programme initially.

A future emancipated working class, having assessed what is needed and how quickly it needs to be applied to save the planet, will automatically cut down on personal consumption by virtue of the size of the social fund needed to achieve this. Which is why it should not be the primary focus now, because it is but one crisis amongst many crises besetting capitalism.

### **In conclusion.**

I would like to introduce my site to you and your readers – [theplanningmotive.com](http://theplanningmotive.com) In 2019 while investigating the world economy I concluded that the 2020s would be the decade which would make or

break society. Global production and trade were flatlining, meaning that capitalist reproduction could only continue to proceed at the expense of society. Trump had declared economic war against China to protect US hegemony a process always ending in actual war of which the Ukrainian war is the opening campaign. The potential for deep learning was appearing intensifying the contradiction between the forces and relations of production. And of course there was global warming. These compounding four contradictions, now termed *polycrisis*, I assumed would be beyond the capacity of capitalism to resolve.

That being so, the need to deepen and sharpen our understanding of capitalism, the USSR and communism was essential. The ideological struggle is always the overture to revolution. And unless we dealt with the legacy of the USSR we would be beaten before we even started. This is what my site is dedicated to. It does explain fundamentally why the USSR had to fail and fall, by going beyond the superficial. The USSR was not simply a failure of planning, it went deeper. In a society where the labour of the individual becomes part of the labour of society directly and immediately, there is no room for margins whether they be tax or profit margins. These margins would necessarily disrupt the pricing process because the arbitrary insertion of margins to satisfy the state budget leads to administrative prices not prices based on actual costs of production. And unless prices are objective, they cannot discipline production by eliminating waste, nor can they incentivize the producers. If we were to define the motive of the lower communist stage, we would say that in the realm of scarcity it is in accord with human nature because workers are working for themselves in harmony with others. Firstly, individual labour is rewarded by workers receiving back what they contribute after agreed deductions, and secondly, collective labour is rewarded by falling prices. Together these individual and collective rewards form a unity. This has not been understood for nigh on a century.

But the site contains more.

It contains a novel solution to the transformation problem without which we cannot defend the law of value, explain exploitation nor account for the movement of capital. [Here](#) and [here](#).

I provide the formula for [distilling turnover](#) from the system of national accounts thereby reducing annual compensation into variable capital.  $V$  being essential for the three primary formulae:  $c/v$ ,  $s/v$  and  $s/(c+v)$ .

Following this the formula for [circulating capital](#) which when added to fixed capital provides a [rate of profit](#) rather than a rate of return which previously masqueraded as the rate of profit.

By recognizing that market value, the concrete form of social value is based on **weighted** average labour times the incongruity between embodied and reproduced values is dynamically resolved in a manner absent from Volume 3.

Explaining modern money or how [legacy value circulates current value](#) regulating prices.

And of course there are many articles on the USSR including [Chapter 2](#) of my pamphlet on planning.

I hope that some of you will take the time to investigate my site, especially the Pages Section where most of the theoretical articles are found and should you want to publish any articles I would be overjoyed.

Kind regards,

Brian Green.