

MORAL AND MATERIAL INCENTIVES

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**If you can look into the seeds of time,
And say which grain will grow and which will not . . .**
Macbeth, I, iii.

THE controversy over the relative merits of "moral" and "material" incentives has turned into a major battleground of the verbal war within and among the socialist nations.¹ The resolution of this crucial debate will decisively affect the course of socialism everywhere, for effective systems of incentives tap enormous reservoirs of creative energy which might otherwise be wasted. By governing behaviour, incentives directly affect the rate of economic growth, and by governing consciousness, they indirectly accelerate or retard the emergence of socialist man.² Incentives are therefore a principal means of shaping the fragment of history under the influence of living men, as well as an important index to the economic, social, and moral future of socialist societies.

A continuous inquiry into the effectiveness of prevailing incentives is an indispensable component of rational economic and social planning. But if dispassionate analysis promotes the long-range interests of particular nations and of the socialist world as a whole, it very frequently conflicts with immediate political and ideological needs and interests.

The current controversy over incentives reflects and intensifies the fundamental divisions between the advanced and the underdeveloped socialist countries. The comparatively affluent socialist nations of Eastern Europe and the Soviet Union favour "material" inducements and reject "moral" incentives as utopian, whereas the underdeveloped nations such as China and Cuba favour "moral" inducements and denounce "material" incentives as "revisionist". As the socialist cold war intensifies, the debate threatens to become a ritual exercise, a set rhetoric whose chief assumptions push the antagonists toward antithetical positions on a formidable range of interrelated problems of ideology and social change. Although historical issues of such scope and complexity are never settled by intellectual *fiat*, they can be illuminated through extended discussion. My intention in this brief survey is merely to clarify the bases of the debate, and to suggest some quite tentative perspectives on the economic, social, psychological and ethical functions of moral and material incentives.

I. *The Ideology of Moral and Material Incentives*

A brief sketch of the ideology of the two basic models of incentives should help to clarify the fundamental disagreements between proponents of moral and material incentives.⁸ The extensive disagreements over systems of incentives reflect opposing views concerning the most effective and desirable general principles for guiding the long transition from revolution to communism. Marxists may be united on the vaguely conceived goal of a communist society characterized by what is at present only a remote vision: "From each according to his ability, to each according to his need." And they may also concede that since this prescriptive statement can become essentially descriptive only under conditions of general abundance: a heavy emphasis must be placed on rapid advancement of industry and technology. But tentative agreement ends here, for Marxists remain hopelessly divided over the surest path from scarcity to abundance which is at the same time a path from socialism to communism.

The most powerful leaders and ideologues in the relatively underdeveloped socialist nations assume that the pattern of transition from a "dictatorship of the proletariat" to communism must insure the simultaneous development of socialist institutions and socialist man: "In order to construct communism," Che Guevara declares, "we must, simultaneously with the base, make the new man."⁹ To maintain a balanced economic and moral rate of growth, a socialist society must rely primarily on human rather than on material factors, on "moral" rather than "material" incentives. Mao observes that China ". . . is a big socialist country but an economically backward and poor one . . . this is a very great contradiction. To make China rich and strong needs several decades of intense effort which will include, among other things, the effort to practice strict economy and combat waste, i.e. the policy of building up our country through diligence and frugality."⁶ In spite of the extreme scarcity of material goods—and partly because of it—the communist moral vision, "From each according to his ability, to each according to his need", should operate from the beginning of the transitional period; but it must be redefined as a moral imperative which fits the immediate context of scarcity while motivating individuals to transcend it: each man should minimize his "needs" (consumption) and maximize his "abilities" (production). In this way the individual achieves a socialist consciousness while contributing to the immediate and long-range economic goals of socialist society.

Acceptance of this moral imperative follows from a redefinition of self, from a total renunciation of personal interests which conflict with the interests of the whole people: ". . . every one of our revolutionary

comrades must . . . wage resolute struggles to . . . destroy self-interest and promote devotion to the public interest . . ." and to ". . . thoroughly wipe out bourgeois ideas of working for self-interest".⁷ In addition to the long-range expectation of general abundance, the moral individual receives immediate gratification from his selfless thought and action, for "What is happiness? It is service to the people.' Every one of our comrades should . . . become a shining cog which never rusts in the revolutionary machine, and always remains wherever the Party puts him."⁸ When the advancement of collective ends becomes the essential motive and criterion of an individual's thought and action, a new morality and mode of vision take shape. Public concern dominates private interest, co-operation replaces competition, and self-sacrifice, comradeship, generosity, and loyalty to the aims of the revolution become internalized norms. Moreover, individuals who redefine their interests as coextensive with those of the community begin to regard themselves and others as equally important and valuable parts of the larger social whole.

Complete acceptance of moral incentives also requires a spiritual dimension: the individual ". . . must be able to stand the test . . ." to ". . . consciously make revolution in the depths of his soul".⁹ Spiritual rebirth not only enables a concentration of personal energies on social goals; it releases vast reserves of creative energy which would otherwise be untapped or squandered on metaphysical phantoms. Proponents of moral incentives regard this spiritual force as China's most precious resource. Lin Piao writes that "It is essential to imbue the workers and peasants with Chairman Mao's thought through the creative study and application of his works. Only so can the mental outlook of the working people be changed and spiritual forces be transformed into enormous material strength."¹⁰

Since moral and spiritual rebirth are the keys to the conquest of material scarcity, a substantial portion of the society's limited resources must be devoted to the work of salvation: "Politics must take command." Whereas material incentives flourish in a variety of social contexts, moral incentives depend upon a carefully planned egalitarian society in which all economic, social, and political activities encourage socialist morality and consciousness. Voluntary acceptance by the overwhelming majority of leaders and the masses constitutes an important enabling condition for a workable system of moral incentives. Major decisions in every sphere of work and leisure should therefore be reached and implemented democratically—or a least under the illusion of democracy¹¹—in order to prevent individual resentment and psychological withdrawal from the community. Every activity must encourage harmonious integration of socialist thought, action, and feeling. Hence, in addition to equipping each person for a particular social role, formal

education should promote understanding of the visible and invisible connections between individual existence and the welfare of society as a whole. And the organization of education and work should not only increase output—thereby expanding the material base of communism—but should also teach men to act collectively in the productive process, and to share the products of their labour as equally as possible. A "correct attitude" toward the functions and meaning of work becomes as important as the measurable results, for attitudes not only affect the quantity and quality of products; they influence the consciousness of the producer as well: Mao declares that "Among the different kinds of revolutionary work, there is only the division of labour; there are no differences such as high or low, lofty or humble. The work in every trade and profession is an indispensable part of the revolutionary cause. As long as we take the correct attitude . . . our work will be meaningful. . . ."¹⁷

Similarly, the multiplicity of "leisure" pursuits—literature, art, drama, music, athletics, parades and pageants—should have the unifying purpose of cultivating a continuous revolutionary enthusiasm for the emerging socialist community. In his "Talks at the Yen-an Forum" in 1942, Mao declared that "[our purpose] is to make art and literature a component part of the whole revolutionary machine, to make them a powerful weapon for uniting and educating the people . . . and to help the people to fight the enemy with one heart and one mind".¹⁸

Policies encouraging the privatization of individual life and the corresponding atomization of social life must be scrupulously avoided, regardless of any imagined short-run economic advantages. For material rewards to strengthen rather than threaten the structure of moral incentives, the growing social surplus should be distributed as evenly as possible so that the standard of living of all the people rises gradually. Leaders at every echelon should set the example by refusing all forms of inequality—such as excessive power or disproportionate shares of wealth. They should accept preferential treatment only when it is necessary to the performance of their public duties (e.g. doctors require private automobiles, scientists need specialized equipment, and so on).

Financial incentives such as bonuses for individual performance should be used sparingly to insure the contribution of the worker who has not experienced a personal revolution "in the depths of his soul." Most workers, the Chinese assume, still have to be motivated primarily by some form of individual incentive which most frequently takes the form of a material reward. Mao observes that "Certain comrades . . . are willing to do work that gives them higher wages and more favourable conditions, but not work that does not . . . they place personal interests first. . . ."¹⁹ Hence during the period of scarcity, a socialist variant of the communist moral form applies to work: "From

each according to his ability, to each according to his work." But the Chinese attempt to minimize "bourgeois" tendencies by maintaining low wage differentials and attaching a negative social status to material incentives.

The case for material incentives is usually predicated on the assumption that arguments for moral incentives at present stages of social development are rhetorical fantasies. Advocates of material incentives reject the model of simultaneous transition primarily (or at *least*) on the pragmatic grounds that it is utopian under present economic and social conditions. Maurice Dobb summarizes the most common reasons for rejecting moral incentives in the advanced socialist countries :

Indeed, to deny the "socialist" character of material incentives, even on an individual and not a collective or group basis, is, surely, to confuse the distinction between the socialist stage of development and the communist: in which connection one may recall Lenin's statement that "to attempt in practice today to anticipate this future result of a fully developed, fully stabilized and formed, fully expanded and mature communism would be like trying to teach higher mathematics to a 4-year-old child".¹⁵

Advocates of material incentives favour a *discontinuous* pattern of transition whose aim of "laying the foundations of communism" requires a programme of material incentives, rewards in the form of extra pay for extra work, and symbolic rewards such as badges, medals, and certificates of merit for individual achievement—all designed to stimulate maximum individual participation in the long-range transition to communism. Assuming that pre-socialist models of individual motivation cannot be eradicated until the society as a whole eradicates scarcity, proponents of material incentives favour classical modes of organization¹⁶ which make individual gain serve the immediate ends of socialist development. The principle, "From each according to his ability, to each according to his work", thus becomes the guiding practical and moral norm during the current phase of socialist development: "Distribution according to work done is a fundamental thesis of socialist political economy, calling for the direct distribution of products according to the amount and quality of work done and equal pay for equal work to each and every member of socialist society, regardless of sex, age, race and nationality, whether in industry or in agriculture."¹⁷

Ota Sik, the Czech economist, observes that "... at the present stage of development of productive forces, and owing to the present nature of the labour processes, material incentives are unquestionably the chief stimulus".¹⁸ But they are used within an overall context of socialist planning. Income differentials which are widened by material incentives may be partially offset through the regulation of prices and taxes. More importantly, a portion of the increased wealth generated

by material incentives is distributed according to the criterion of need. Social benefits such as education and medical care "are granted according to the needs of the members of society and not on the basis of work done. This is linked with the thesis that the elements of communist distribution according to needs tend to evolve and develop already in the period of socialist building."¹⁹ Thus, the advocates of material incentives argue that as the proportion of free goods and services gradually increases, the importance of the market declines, thereby insuring a peaceful transition from socialism to communism.

The Chinese regard such arguments for material incentives as dangerous rationalizations. Material incentives, they contend, may initially appear to be nothing more than efficient and temporary means of enriching the socialist community. But when self-interest becomes the chief incentive to physical and mental activity, economically rational means subvert socialist and communist ends, eroding instead of building the foundations of a future society. The society purchases material enrichment at the heavy price of moral and spiritual impoverishment of its members. The primary emphasis on personal gain imposes a nearsighted mode of social vision; neglecting the *whole* of social reality, the "successful" man must magnify those *parts* relevant to his immediate personal ends. Life is inevitably privatized; individuals withdraw into their narrow spheres of activity: ". . . when people think only of themselves they become narrow-minded, and when they think of nothing but revolution they become open-minded."²⁰

The incentive of personal gain also generates its own regressive morality. If the most general premise of thought and action is personal aggrandizement, then individuals who would survive must develop a calculating moral code: selfishness, competitiveness, opportunism, and duplicity become the implicit norms of behaviour. The Chinese (somewhat unfairly and simplistically) equate this syndrome with a restoration of capitalism: "The bread and butter of the bourgeoisie comes from exploration and oppression, from cheating and swindling, from material incentives. They let money take command and only profit matters. . . ." According to the Chinese, then, material incentives reduce socialist morality to an impotent, secondary force, acting largely as a deceptive official ideology which is publicly professed by all, believed by many, practiced by a minority, and manipulated to personal ends by men of power at every echelon of society. A pervasive schizophrenia consisting of public conformity to official ideology and private allegiance to a calculating morality of personal gain prevents formation of a genuinely democratic and socialist community. "The modern revisionists," according to the Chinese, "only pay lip service to communism. . . ."

Under the protective cover of moralistic rhetoric, the "modern

revisionists" are ". . . in actuality . . . putting capitalism into effect. They are touting material incentives at a break-neck pace, thus reducing all relations between people to a question of money, and developing individualism and selfishness."²³ In the process, the most successful pragmatists more or less rapidly coalesce into permanent interest groups which frequently exercise power against the best interests of the whole society. Material incentives, which begin as an expedient for preserving and extending the socialist economic base, eventually stunt the growth of socialist man, and the temporary encampment on the road to a classless society turns into a relatively stable class society. Those who set out to create a new world finally restore the crippling elements of an old order.

II. *The Illusion of Choice*

Beginning as a series of responses to concrete historical problems, the debate is often turned into an historical dichotomy between moral and material incentives. Proponents of moral incentives generally pose the alternatives in voluntaristic terms, implying that every socialist nation can institute the dominant incentives system of its choice. The Chinese view the opposition between moral and material incentives as a microcosm of the perpetual class struggle characterizing the period between the revolutionary seizure of state power and communism. They contend that "In all socialist countries without exception, there are classes and class struggle, the struggle between the socialist and the capitalist roads, the question of carrying the socialist revolution through to the end and the question of preventing the restoration of capitalism."²⁴ Whereas material incentives buttress the regressive forces of capitalism, moral incentives help to consolidate and advance the progressive forces of socialism. Throughout the socialist period, then, the fate of the revolution remains in the precarious limbo between capitalism and communism.

In this theoretical framework, the Party and the government must assume the major responsibility for restraining the persistent and spontaneous "bourgeois tendencies"²⁵ by emphasizing moral incentives as the principal means of stimulating rapid economic gains. Thus, advocates of moral incentives frequently conceive the issue to be primarily political and ethical; if every socialist country can choose its dominant structure of incentives, the failure to emphasize moral inducements itself becomes a moral and political failure. The language of the debate consistently underlines the ethical dimensions of the choice. Interweaving moral and pragmatic rhetorical threads, José Llanusa, Cuban Minister of Education, concludes that "In this strong, creative Revolution . . . material incentives will not be the line to

follow in solving problems. Successes are attained through comradeship, through revolutionary brotherhood, that could never be achieved through the soft line of material incentives. Success is not represented by banners, diplomas, or badges, but by bravery, a proletarian spirit, and revolutionary awareness."²⁶

But the assumption that *all* socialist countries can choose between systems of incentives does not fit contemporary realities. Theoretically, the USSR and the Eastern European countries could declare egalitarian policies and moral incentives, but no privileged minority appears both willing to declare and able to enforce them. Nor are there significant grass roots movements among the masses on behalf of such a programme.²⁷ The principal historical trends in the advanced socialist countries militate against a sharp reversal of fundamental policies of material incentives in the predictable future. In the first place, these nations are both victims and beneficiaries of their past. Whether the relatively advanced socialist countries *could* have chosen between moral and material incentives at previous stages of their development may be open to debate, though few critics argue that a system of moral incentives roughly equivalent to the one currently advanced by the Chinese ever constituted a genuine *long-term* option in the Soviet Union, not to mention the countries of Eastern Europe.²⁸

In any case, the prospect of the advanced countries suddenly shifting "roads" *at this historical juncture* seems implausible. The stress on meagre pecuniary and lavish symbolic incentives (combined with harsh negative incentives) during the Stalin period has paid off in higher standards of living. At the same time, the successful period of socialist accumulation and industrialization has generated a complex economy in which the demand for quality and efficiency is rapidly replacing the previous emphasis on mere quantity of output. To meet the shifting demands of production and consumption, the USSR and the Eastern European nations are instituting economic reforms which seem to stress individual, material incentives. Lisa Foa notes that in the USSR there is "decisive importance attributed to the 'new course' to material incentives and to a *sharper differentiation in individual earnings*".²⁹ In Czechoslovakia, the CP underlined the role of material incentives in the projected development of Czech socialism: "*Today, when class differences are being erased, the main criterion for evaluating the status of people in society is how the person contributes towards social progress.*"³⁰ Emphasizing the role of the individual, they go on to observe that "The Party has often criticized equalitarian views, but in practice levelling has spread to an unheard of extent and this became one of the impediments to an intensive development of the economy and to raising the living standard. . . . The harmfulness of equalitarianism lies in the fact that it puts careless workers, idlers and

irresponsible people to advantage as compared with the dedicated and diligent workers, the unqualified compared with the qualified, the technically and expertly backward people as compared with the talented and those with initiative."³¹

Furthermore, the changing economic imperatives have important political dimensions. In the case of Czechoslovakia, for instance, the economic requirements of ever more complex production methods combine with the popular political pressures for higher standards of living to create seemingly irresistible trends toward greater individual economic freedom, greater emphasis on material incentives, and for a considerable period, increasing differentiation in status and income. These economic developments have other political analogues: individuals and groups begin to demand more comprehensive political rights such as academic freedom and freedom of the press. Thus, the central question confronting these countries in the near future is whether each CP can manage the transition toward a society in which essentially bourgeois individual rights operate within a socialist economic, moral and political framework. As the Czech leadership puts it:

When attempting today to do away with equalitarianism, to apply the principle of actual achievements in the appraisal of employees we have no intention of forming a new privileged stratum. We want in all spheres of social life, the remuneration of people to depend upon the social importance and effectivity of their work, upon the development of workers initiative, upon the degree of responsibility and risk. This is in the interest of the development of the whole society. The principle of actual achievements raises the technical standard, profitability and productivity of labour, respect and authority of the managers responsible, the principle of material incentive, it stresses the growing importance of qualification of all workers.³²

Although it is impossible to predict the future syntheses of these historical, economic, social, political and moral elements, there are several obvious possibilities. Genuine socialist democracies which emphasize material incentives in the primary areas of work, and moral incentives in the expanding free goods and services sectors, may emerge. On the other hand, economic progress under the new schemes may create what Herbert Marcuse terms modes of "repressive desublimation" in which "the social controls of technological reality . . . extend liberty while intensifying domination:" The choice of products substitutes for real political and moral choices.³³ The specific shapes these countries take in the next decades will largely depend upon the interaction between economic and political pressures and the skill with which the various CPs are able to conduct the "liberalization" programmes without losing their hegemony.

One thing seems clear: any attempt to institute a system of moral incentives remotely similar to the Chinese or Cuban models would

either precipitate a return to Stalinism or reflect a desperate political response to a sudden regression in the level of productivity. What European socialist government not faced with imminent economic, social, and political chaos would consider abandoning, or even significantly reducing, the scope of material incentives? However desirable from a moral perspective (a debatable question) the proclamation and successful implementation of egalitarian policies and moral incentives—from above or below—in Warsaw, Prague, or Moscow amounts to an existential impossibility.

The underdeveloped socialist countries may have a somewhat wider scope of choice. In China, for instance, the issue of moral versus material incentives is central to the struggle between the Maoists and the so-called pragmatists.⁴⁴ Indeed, one of the principal aims of the Cultural Revolution has been to create an ideological climate in which moral incentives will stimulate production without raising an unmanageable crop of "bourgeois tendencies". But even here the abstract and moralistic terms of the controversy seem misleading. Concealing the absence of choice in the advanced socialist nations, the dichotomy also distorts the options of the underdeveloped countries. Nations such as China and Cuba presently lack the resources to finance a system of material incentives comparable to those of the Soviet Union and the countries of Eastern Europe. If the Chinese party and government were to stress inequalitarian policies of individual aggrandizement, the practical result would probably be a predominantly Stalinist programme of *negative* incentives, perhaps even culminating in counter-revolution. Thus, to escape a heavily coercive system of material stimuli, the backward socialist nations must attempt to develop viable programmes of essentially collective incentives with primary emphasis on non-material rewards.

Although the choice between moral and material systems exists only in selected parts of the socialist world (and there in modified form), the illusion that it prevails everywhere is ideologically useful to all the participants in the dispute. Representatives of the underdeveloped socialist countries invoke the concept of choice to transform a complex issue with philosophical, historical, economic, social, and political components into a simplistic moral dichotomy. Their ideological sword cuts several ways. It can be swung more or less indiscriminately at the internal opposition—individuals and groups actually desiring a restoration of the old order, and those favouring material incentives within the framework of a planned economy. The rhetoric of the debate also releases cumulative bitterness against the Soviet Union for its refusal to narrow the gap between the rich and poor socialist nations, and for its failure to assist in any significant way revolutionary movements in Africa, Asia, and Latin America. And by projecting hostilities outward,

advocates of moral incentives can temporize potentially harmful domestic conflicts and organize nationalist sentiments within the moral model.

Representatives of the advanced socialist countries find the dichotomy an ideological convenience rather than a *necessity*.³⁵ By contrasting the Chinese formulation of the issue with immediate social realities, defenders of material incentives in the Soviet Union and Eastern Europe can easily demonstrate the irrelevance of the dichotomy to their own problems of economic, social, and individual development. But the potential dangers of material incentives to all-round socialist development at relatively high levels of industrialization disappear in the ideological mists. For example, the almost exclusive stress on material incentives may intensify socialist alienation and distort the growth of a socialist *community*.³⁶

Marxists in the West might be expected to clarify the issues. Occupying a classic position of intellectuals without much influence or political power, these observers could presumably cut through the tangled rhetoric with analytic tools, rather than with ideological hatchets. But in most cases, Western critics have taken rather rigid positions on incentives which correspond to their allegiances in the Sino-Soviet dispute. Critics who favour moral incentives tend to celebrate them uncritically and to condemn material incentives without qualification. For example, Allen Solganick declares that ". . . the idea in the Soviet Union is to buy people over to socialism, in China the idea is to educate *them*".³⁷ Such rhetorical exercises lead Marxists to a curious impasse: the proponents of moral incentives must either helplessly witness the erosion of socialism in the advanced countries or submit to the illusion of choice among systems of incentives. After finding current Soviet practices thoroughly at odds with the model of moral incentives, Solganick poses the illusory alternatives, and concludes with the

hope that, before the current Soviet leadership compromises socialism out of existence at home and abroad, the socialists in the Soviet Union will regain power over the state. Then reforms such as those instituted in China can be made. Privilege and its ideology can be abolished by de-emphasizing material incentives. Pay of Party members can be brought down to the level of the average worker. Finally, to meet the problem of wasteful and corrupt management, politics could be put back into command. The Soviet people must be educated in socialist ideology daily, otherwise revisionism can always reassert *itself*.³⁸

These stirring sentiments may momentarily conceal the absence of a politics of "socialist restoration" in the USSR and Eastern Europe. But such rhetorical "solutions" only screen the causes of social maladies from the consciousness of critics. In effect, the advocates of moral incentives write off the short-term hopes for socialism in the advanced

countries, and push the global transition from capitalism to socialism into the remote future.

By perpetrating the illusion of choice and placing all their hopes on the simultaneous development of communist men and institutions, those who endorse moral incentives *exclusively* limit their capacity to analyze the numerous and very different problems of incentive which confront both the advanced and the underdeveloped socialist countries. In the underdeveloped socialist nations, leaders and ideologues may transform the economic necessity of nonmaterial incentives into a socialist virtue, thereby stimulating productive action against the persistent enemy—scarcity. But even a powerful myth cannot indefinitely substitute for rational analysis. Hence, the first and most crucial step in demystifying the controversy over incentives is to recognize that whatever the descriptive and diagnostic values of the material and moral models, the implied choice among systems of incentives is largely a rhetorical gambit of limited propagandistic value in the socialist cold war. More importantly, the illusion obscures the search for clarifying perspectives: the strengths and limitations of moral and material incentives are not visible until each model is examined in terms of its relevant social context, and not as an inseparable part of a highly abstract, ahistorical dichotomy.

III. *The Feasibility of Moral Incentives*

Demystification of the illusion of choice between incentives systems throughout the socialist world permits a less confused examination of the prospects for a workable plan of moral inducements in the underdeveloped nations. Marxist theorists generally agree that the communist moral imperative—the most abstract formulation of moral incentives—presupposes egalitarian governmental policies to counterbalance inequalitarian material forces and conditions. Leo Huberman and Paul Sweezy, the most articulate American critics of the material model, assert that moral incentives “. . . can be effective . . . only within a framework of essentially radical and egalitarian policies”.¹⁹ The material preconditions to egalitarian policies and moral incentives obtain during at *least* two phases of the Marxist cycle—in revolution where the basic principle of egalitarianism is necessary to survival, and in communism, where general abundance cancels the dialectic between equal and unequal shares of wealth.

The most immediate question, however, is whether a *policy* of moral incentives is feasible and desirable under the inequalitarian, post-revolutionary *conditions* of backward countries. For a variety of reasons, the enormously complex and overlapping questions of the feasibility and desirability of moral incentives resist definitive treatment. For one

thing, very few of the returns are in : most Asian, Latin American, and African countries have not entered post-revolutionary phases of their development, and the major Chinese and Cuban experiments in moral incentives have only begun. Even the scattered and conflicting reports on the initial experiments generally lack data sufficient to confirm or deny projective hypotheses.⁴⁰ Moreover, the scope and intensity of the Chinese (and Cuban) innovations are historically unprecedented : the lack of theoretical categories for describing, measuring, and evaluating moral incentives tempts critics to rely on the very economic, social, and political criteria which the Chinese are attempting to transcend. Despite these wide gaps in theoretical knowledge and in empirical data, however, I think it is possible to formulate some speculative hypotheses about the feasibility and desirability of moral incentives in underdeveloped countries, using China as a model case.⁴¹ If we cannot formulate a convincing answer, we can at least suggest what one would look like by focusing on the dialectical interaction between material conditions and the ideology of moral incentives, rather than simply approving or condemning moral incentives in vague, ideological terms.

The staggering task of transcending extreme scarcity demands some ideology consistent with extremely rapid development of agriculture and industry. At first glance, the Chinese stress on nonmaterial incentives appears to be the most functional means of stimulating "the largest possible increase in production," because moral incentives may elicit maximum productive effort and minimum consumption. The combination of "revolutionary enthusiasm" and self-discipline should contribute to the most efficient use of the limited supply of capital and skilled labour available to a backward country in the initial stages of its economic transformation. Unfortunately, however, large groups do not spontaneously internalize moral incentives, as the Chinese have learned and demonstrated. The feasibility of moral incentives thus depends on whether and for *how* long Chinese society can be structured so that the actual life styles of the majority (or of a decisive minority) correspond to the ideology of moral incentives.

The fundamental problem of rapid socialist development under conditions of abysmal poverty generates a seemingly unsolvable dilemma : moral incentives initially arise as an ideological reaction to the inegalitarian material conditions which revolutionaries seek to eradicate; paradoxically, however, the inegalitarian material conditions threaten to vitiate policies of moral incentives. In the early stages of post-revolutionary consolidation, the web of economic problems was vastly complicated by an array of interrelated cultural factors which had contributed to China's pre-revolutionary stagnation and continued to plague the post-revolutionary leadership. Isaac Deutscher summarizes the most important impediments to rapid social change : "Age-

old economic, technological, and social immobility, rigid survivals of tribalism, despotic ancestral cults, immutable millenary religious practices—all these have made the task of the Chinese even more difficult. . . ."⁴² Deutscher remarks that the goal of industrialization required the Chinese ". . . to initiate primitive socialist accumulation on a level far lower than that on which accumulation had proceeded in Russia. The extraordinary scarcity of all material and cultural resources has necessitated an unequal distribution of goods, the formation of privileged groups, and the rise of a new bureaucracy."⁴³ Huberman and Sweezy note that the "growth of a privileged stratum in command of society's politico-economic apparatus is inevitable in any country in a period of rapid economic development from a condition of technological backwardness and low labour productivity".⁴⁴ And it is precisely this privileged stratum which legitimizes and intensifies existing inegalitarian material conditions. China has been no exception to this general tendency in under-developed nations. Small groups of skilled men who occupied influential positions in science, industry, government, the military, and the educational establishment quickly became indispensable to the processes of modernization, and in many instances, the scarcity value of their expertise had to compensate for a distant lack of ideology.⁴⁵ Increasingly separated from the masses by working conditions, income, and status, these privileged groups tended to develop separate, more opulent life-styles than the masses. Under these circumstances, the widening credibility gap between an ideology of moral incentives and the actual social practice is reflected subjectively in the demoralization of the masses, and objectively in lower productivity. The society as a whole fails to approach its optimum aggregate output in the first rounds, and the tempo of overall economic development slows.

The Chinese have consistently countered emerging inegalitarian trends with a battery of imaginative techniques synthesizing rhetoric and action. Especially during The Great Leap Forward and the Cultural Revolution, the Chinese have gone far beyond the traditional ideological bounds of moral and spiritual rectification, attempting to build moral incentives into the structure of public life. Perhaps the most important and imaginative vehicle for introducing moral incentives into the Chinese routine of work has been the *hsia fang* ("transfer to lower levels") system.⁴⁶ Beginning in 1957 as a "movement" to eliminate bureaucratic topheaviness and inertia which had developed as a result of post-revolutionary reorganization and staffing of Chinese institutions, *hsia fang* has gradually modulated into a "system".⁴⁷ It has come to mean some sort of systematic participation in physical labour on the part of mental workers for specified periods of time—usually one or two days a week. The basic purpose of *hsia fang* is to

narrow the widening gap between mental and physical labour, between elites and masses, leaders and led, city and country—inherited inegalitarian conditions which subvert moral incentives.

The hsia fang system may at first seem an irrational allocation of scarce human resources, antithetical to the basic goal of socialist accumulation. Indeed, it contradicts the fundamental bourgeois notions of "rationality". Under large-scale mechanized and computerized production, the drive for growth and profits elevates social order and efficiency in individual productive units to the status of inviolable political and moral principles. Similarly, the anarchistic tendencies of the capitalist system as a whole transform disorder into the most feared vice on both macro and micro—social and individual—levels. Rationality thus comes to include order, efficiency, control, intelligibility, whereas irrationality connotes their opposites—*anarchy, waste, chaos, incoherence*. Although this dichotomy probably marks all social orders governed by relative degrees of scarcity, it dominates bourgeois societies, forming the rationale of organization and management of modern production, as well as a principal justification for hierarchy, authority, power, status, wealth, and privilege. It perpetuates the divisions within and between mental and manual labour, fragmenting workers into atomized parts governed mainly by the "rationality" of factory, office, or university. The historically conditioned methods of production become confused with the more general aims of rationality in production. And the basic framework of incentives comes to include only those forms of material incentives which induce the individual to fit himself into an organizational slot.⁴⁸

Having organized production on substantially the same Western concept of rationality, advanced socialist societies have had to rely primarily on material incentives—despite the contrary intentions of some leaders. Of course, rhetoric, propaganda, education, slogans on factory walls, parades, and the like, have been used to sustain and intensify revolutionary enthusiasm and to elicit selfless contributions to collective goals. In fact, campaigns to elicit voluntary participation in work—beginning with the *subbotniks*⁴⁹—have been periodically advertised as premonitions of communism. But ideological efforts to promote moral incentives in the USSR have generally remained within the framework of inherited bourgeois rationality—with a basic respect for the principles of "rational organization of production".

In marked contrast, the Chinese have carried their rectification campaigns beyond rhetoric and marginal activities into the most fundamental structural source of inequality—the productive process. Attempting to achieve minimum levels of consumption consistent with optimum economic growth,⁵⁰ the Chinese have pursued the aim of socialist rationality through techniques antithetical to bourgeois notions

of social order and efficiency. *Hsia fang* illustrates the Chinese willingness to experiment with social structures designed to minimize what they consider the fundamental source of inequalitarian tendencies—the division of labour.

Although it is difficult to determine whether the Chinese are successfully implementing moral incentives, there are some reliable clues. After an extensive tour of Chinese industries, Professor Barry Richman concluded that the *hsia fang* system appears "to have some favourable effects. . . . Management participation in labour does seem to create a type of cohesive team spirit, and to enable managers to observe and keep in close touch with concrete operating conditions and problems of their enterprises."⁸¹ He also reports that in the thirty-eight industrial enterprises he visited, the stress on non-material incentives has been increased: piece-rate incentives have been abolished in every enterprise, and at about 20 per cent of the factories, workers can no longer earn bonuses. More significantly, even though some type of monthly or quarterly bonus remains operative in the majority of industrial enterprises, the criteria for rewards transcend economic performance and the psychology of individual aggrandizement.⁸² Richman reports that worker bonuses were generally not based "solely on productivity; politics and helping co-workers were also key criteria".⁸³ Similar trends away from individual material incentives measured in terms of output were observed in the case of middle and lower level management, staff specialists, and technicians. And, according to Richman, "top level enterprise executives are no longer entitled to extra monetary incentive~". Moreover, "at most factories the ratio between the directors' incomes and the average factory pay was less than 2 to 1; and the highest was about 3 to 1".⁸⁴ Over the past two decades, income differentials throughout China have been reduced from about 10 to 1 to something on the order of 2 or 3 to 1.

In that same period, Chinese economic growth, though difficult to gauge precisely, has been impressive by all relevant historical standards—pre-revolutionary development, Soviet experience, and the economic progress of the non-socialist underdeveloped countries.⁸⁵ By 1965, China had a GNP of approximately 60 billion. Alexander Eckstein observes that even though "China is outranked by all the large industrial countries, her economy seems vast indeed in relation to other undeveloped areas—that is, all of Asia (except Japan), Africa, and Latin America". China's post-revolutionary gains are even more impressive when one considers the circumstances under which they have been made: "China is in a unique situation, for it is perhaps the only underdeveloped country today that has no long-term credits or foreign aid to draw upon. On the contrary, since 1965 it has been a net exporter of capital."⁸⁷ Hence, it may tentatively be suggested that

moral incentives have thus far been at least compatible with economic growth in China, though it is difficult to determine the extent to which the stress on the ideology and practice of moral incentives has affected agricultural and industrial production.

Most Western observers, including Richman, argue that the ideological campaigns—themselves necessary components of moral incentives—are economically irrational when pushed to extremes. If moral incentives have not thoroughly crippled Chinese economic growth, the general argument runs, they have constituted periodic interferences with the "rationalization" of agricultural and industrial production during the nearly two decades of post-revolutionary development. For example, in his introduction to *China under Mao: Politics Takes Command*, Roderick MacFarquhar expresses surprise at the scale and intensity of the Cultural Revolution: "This renewed ideological militancy with its emphasis on the supremacy of politics in all things, of 'redness' over 'expertness', is hard to square with the apparently still continuing commonsense approach to economics."⁸⁸ MacFarquhar articulates the typical opposition between economic rationality (or, "common sense"), and a Chinese strain of ideological madness. Western critics have frequently described and evaluated the main contours of Chinese economic growth since 1949 in terms of an oscillation theory of development which includes both the "rationality" and the apparent madness.⁸⁹ Richman argues that

the Red Chinese regime seems to follow an oscillation theory of industrial management with ideology implemented most intensively where economic conditions are relatively good and relaxed when the reverse is true. . . . This may explain much about the current Chinese political and civil crisis: The regime's growing fanatical emphasis on ideology at all levels of society follows several years of economic recovery and new progress. Hence, a type of vicious circle is in operation where economic progress results in extreme stress on ideology, which in turn leads to economic crisis, which in turn leads to a relaxation of ideology in practice.⁹⁰

And in terms of this oscillation metaphor, the short-range projection is for a general retrenchment of the moral incentives of the cultural revolution period, and the institution of a more "common sense" programme of economic development, with a renewed emphasis on material incentives, and "rational" techniques of industrial management. From a retrospective point of view, it does appear that periods of economic growth in post-revolutionary China have been negatively correlated with the most intensive ideological campaigns.

The "oscillation" metaphor may, however, distort the whole development of Chinese economic, political, and social life since 1949. It is possible to account for the ideological campaigns and rectification movements as effective parts of the total transformation of post-

revolutionary China. The flamboyant rhetoric and the innovative experiments with elements of social organization have made possible the effective implementation of moral incentives which have liberated vast amounts of subjective energy among the unskilled and semi-skilled masses of Chinese, and among the (relatively) small but growing number of red experts as well. As one of the most scholarly and responsible Western observers of the Chinese scene, Richman does give credit to the vital role of "ideology" and experimentation in the rapid industrialization of China. He understands that "it has been through a unique combination of rational pragmatism and the implementation of possibly the most unique ideology in the world that China has achieved impressive, but erratic, industrial and general economic progress since 1949".¹¹ Quite obviously, the rectification campaigns have resulted in some wasteful excesses—doubtless some avoidable ones. In retrospect, the Great Leap Forward which attempted to stimulate rapid, simultaneous agricultural and industrial growth through a reorganization of the structure of work, and through intensive ideological indoctrination in moral incentives, turned out to be too ambitious. And perhaps (again, viewing the events in retrospect), the Chinese should have been able to anticipate and avoid the extremes of the Great Leap Forward.

On the other hand, when intense ideological campaigns have seriously interrupted production, the Chinese have been consistently able to revert to more traditional patterns of organizing and motivating the work force. One might hypothesize, then, that although no one of the major rectification campaigns has achieved its publicly proclaimed objectives, all of them have had a measure of success in transforming the wncsciousness of masses and of élites. Moreover, without that limited success, the inherent tendency toward inegalitarianism and material incentives might easily have become an accelerated and irreversible trend. In that case, moral incentives would have been reduced to the status of an ideological obligato, and, in a context of extreme scarcity, the Chinese almost surely would have had to rely on a more or less Stalinist approach to rapid industrialization. Individual incentives—material, moral, and coercive—would have become the pervasive inducements to work. Thus, the Chinese emphasis on moral incentives, combined with their periodic reliance on material incentives to stimulate short-term economic stability, has resulted in an overall rate of economic growth at least equal to and very probably greater than what would have been achieved under an uninterrupted pattern of material incentives.

Whether this interplay of moral and material incentives can work indefinitely is problematic. Non-Marxist Western critics do not believe that the Cultural Revolution can be sustained. They foresee a serious conflict between the practice of moral incentives and sustained eco-

conomic development in the relatively near future. For example, Barry Richman suggests that as Chinese industry expands and approaches Soviet levels of complexity, "the interrelationships among factors of production will become much more delicate and crucial problems. The problem of supplying enterprises through central planning with proper materials, machinery, components, manpower, and financial resources to achieve desired and useable outputs will become increasingly more difficult to do with a tolerable level of efficiency."⁴³ Richman hypothesizes that unless the conflict between "pure ideology" and the ultimate objectives of industrialization is resolved in favour of a more efficient organization of production, the Chinese will fail to make the transition from a developing to a developed nation.

On the other hand, Huberman and Sweezy, interpreting the Chinese position, argue that the imbalance introduced by inegalitarian forces may be offset by sufficient quantities of revolutionary energy. Of course, the relevance of this formula depends principally on the compatibility of continuous revolution with the economic and organizational demands of modernization. Huberman and Sweezy maintain that those "who made the revolution and remain uncorrupted by the temptations of actual or potential privilege"⁴⁴ can rally the unprivileged masses by proclaiming and practising radical and egalitarian policies. The older generation whose consciousness has been moulded by the realities of decades of revolutionary struggle must "train up" a new group of revolutionaries to keep the privileged stratum of bureaucrats, scientists, technicians, managers, and intellectuals at bay "for at least one more generation while economic development brings closer the day when general abundance will make possible the real elimination of inequality and privilege".⁴⁴ Thus, the Cultural Revolution constitutes a delaying action which the Chinese leadership hopes will generate fresh revolutionary enthusiasm for egalitarian policies and moral incentives.

But this model of continuous development from socialism to communism through moral incentives seems highly improbable. Relative affluence and increased consumption would undercut the basic ideology of self-sacrifice which is presently a central part of the ideology of moral incentives. At the same time a greater emphasis on consumption would probably create a heavy demand for articles such as cameras, mix-masters, refrigerators, television sets, etc., which cannot be produced all at once on a mass basis. Hence, even if egalitarian policies were to persist in the organization of work (an unlikely prospect), the fruits of partial affluence would create patterns of leisure highly un-conducive to a policy of moral incentives. Moral incentives would be partly deprived of their present structural reinforcements, and hence of their peculiar potency. At best, the rhetoric of moral incentives would partially modify the beliefs of people acting out a different

script. Under such circumstances, the ideology of moral incentives would have outlived its functional economic purpose.

Several years ago, Paul Baran offered the following sketch of the dialectics of socialist development from a condition of backwardness:

. . . If iron-fisted insistence on discipline and on the assignment of absolute priority to the immediate tasks of economic development in all intellectual, artistic, and cultural activity ~~may~~ have been conducive at a certain stage to the generation of an unwavering single-mindedness of purpose among broad popular masses, the continuation of such unbending dogmatism at the present ~~time~~ perpetuates a narrow-minded incapacity to comprehend new historical developments and becomes a formidable fetter on creativity and freedom in all areas of national life.⁶⁵

Although Baran was describing the pressures for "liberalization" brought about by decades of Stalinism in the Soviet Union, he illuminated the development and resolution of an important paradox which may well prefigure the course of events in China. Baran argues that the austere ideology and policies of development in the Soviet Union were in large part responsible for the emergence of a more educated and sophisticated populace. Should the Chinese create greater affluence through egalitarian policies and moral incentives, there is a point at which a highly educated public would find the intellectual parameters of Mao's thought stifling, and the subordination of individual to collective purposes neither necessary nor desirable.

Thus, neither projected model—the reversion to a complete programme of material incentives or a continuation of Maoism for a generation and beyond—seems probable. Even if the Chinese continue to avoid a virulent Stalinism (and one can only hope that they do), it seems probable that substantial modifications of egalitarian policies and moral incentives will be made. In the short-range, then, material and organizational pressures of agricultural and industrial development will probably impel the Chinese to introduce more elements of Western efficiency, stability, and consequently, of individual and material incentives, while they correspondingly de-emphasize rectification campaigns which paralyze production. And insofar as the area of work becomes depoliticized, the possibilities of generating and sustaining revolutionary energy are narrowed. Such changes in production and consumption, work and leisure, threaten the very basis of moral incentives, because, as most critics argue, radical and egalitarian policies cannot be very effective when applied piecemeal.

Lenin once remarked that "history knows transformations of all sorts. To rely upon conviction, devotion and other excellent spiritual qualities—that is not to be taken seriously in politics".⁶⁶ Of course, the Chinese have not simply relied on "spiritual" qualities but have continuously attempted to manipulate and organize the context of the

flesh to perpetuate and sustain the egalitarian and revolutionary impulses of the spirit. And though their rhetoric customarily proceeds in terms of either-or, all-or-nothing dichotomies, their action reveals a far greater range of subtlety, flexibility, and adaptability. Those who argue that "modifications" of egalitarian policies will, in the near future, be fatal to moral incentives should remember that the Chinese regard "modifications" as "non-antagonistic contradictions" which can be resolved with ingenuity. It is therefore safer to watch the Chinese than to make flat predictions about the utopian and impossible character of their ambitions. Had the Chinese communists been susceptible to such "advice," they would doubtless still be reading these gloomy prophecies by the dim and flickering lights of the Yen-an caves.

IV. *The Desirability of Moral Incentives*

The feasibility of moral incentives renders the question of their desirability relevant. A decade ago, Paul Baran observed that "socialism in backward and underdeveloped countries has a powerful tendency to become a backward and underdeveloped socialism."¹⁰⁷ Baran's eloquent remark suggests the central *historical* focus of any attempt to roughly estimate the desirability of moral incentives. Herbert Marcuse argues that "with respect to the form, extent, degree, and content of human freedom, we deal with strictly historical and changing conditions. . . . Measured against the real possibilities of freedom, we always live in a state of relative unfreedom. The wide gap between real possibility and actuality, between the rational and the real has never been closed."¹⁰⁸ An assessment of post-revolutionary China thus hinges on whether moral incentives have reduced the disparity between historical potentialities and actualities more than any other system of incentives could have done under similar historical conditions. Although the question cannot be precisely answered, it is nevertheless worth exploring.

In comparison with the quality of life in most of the non-socialist nations of the underdeveloped world, the Chinese egalitarian policies and moral incentives emerge as desirable, if for no other reason than that they are feasible. Under Socialism, the Chinese have not only liquidated widespread famine and controlled disease; they have rapidly expanded opportunities for individual achievement in education and employment, denied to all but the upper classes before the revolution. The freedom from hunger, nakedness, and disease constitutes the concrete substance and foundation for all other freedoms. Backward socialism seems eminently preferable to the progressive starvation in pre-revolutionary China and in large areas of the contemporary underdeveloped countries.

But the desirability of moral incentives must also be assessed in the context of an essentially socialist society. The Chinese stress on egalitarian policies and moral incentives should be examined in relation to its most relevant *historical* alternative—inegalitarian policies and material incentives. Once more, we have to deal with a series of intangible factors. The only comparable historical analogue to the Chinese experience is that of the Soviet Union, which under Stalin emphasized rapid development through a basic programme of material incentives. Although differences in global context, cultural legacies, and stages of socio-economic development make precise comparisons impossible, they do not preclude the formation of a rough calculus of the desirability of moral incentives. In spite of the dissimilarities, both nations had to engage in a programme of rapid industrialization from a condition of dire poverty and extreme technical and industrial backwardness. Both nations required a theory and practice of rapid development. Several years ago, Franz Schurmann wrote that "If China is going to industrialize fast, as Russia did under Stalin, the peasant and the worker will have to bear the burden of sacrifice".⁶⁹ Backwardness, the principal enemy, makes some workable ideology of development the necessary alternative to incalculable misery. And if both material and moral systems of incentives are feasible—at least during the initial stages of economic development—the question of their *comparative* desirability becomes paramount: which programme of inducements requires the least painful burden to be borne by the greatest number of people?

"Stalinism," according to Paul Sweezy, "has two meanings: on the one hand, the system of extreme centralization, tight discipline, and economic 'forced marches'; on the other hand, the glorification of the leader, the abuses of power, blind intellectual dogmatism, etc."⁷⁰ Stalinism not only defines the goal of rapid economic development; it also stipulates the means—extending the bourgeois concept of rationality of the productive parts to the whole process of production. The selection of ends and organizational means sets the enormously complex problems of inducing individuals to work, after the initial revolutionary enthusiasm wears down. In the first stages of Soviet industrial development, centralized planning seemed the most "efficient" utilization of scarce trained personnel, but it also perpetuated and intensified inequalitarian tendencies: power, authority, privilege flowed from the top down. Moreover, the Soviet model of rationality of production recreated the conditions of alienation from work characteristic of bourgeois society. In this context, inequalitarian policies tended to assert themselves, despite the intentions of leaders and despite intensive educational and propaganda campaigns.

Inequalitarian policies in turn necessitated a programme of material incentives. That is, the structure of agriculture and industry dictated

that the individual worked primarily for himself, while socialist motives played a subordinate role. A carrot-stick structure of incentives inevitably emerged. In the NEP period, for example, individual managers and workers were stimulated to greater productive efforts primarily by the carrot of extra pay—bonuses for managers, piece-rates for workers in many industrial enterprises, employee bonuses for overfulfilling production quotas, etc. And because of the extremely low aggregate output, material rewards were supplemented by a range of symbolic rewards: certificates, badges, and medals, awarded primarily on the basis of individual performance. The organization of economic, social, and political structures assured the social relevance of individual achievement, and the pursuit of private ends enhanced the public good.

Material incentives induced individuals to occupy their slots in the organizational whole, but they also demoralized large masses of people. Intensifying privatized consciousness, material incentives raised expectations which could not be filled because of the meagre material resources. Hence, to maintain the parts of the system in balance, various forms of coercion became increasingly necessary. The threat of individual punishment—from social ostracism to concentration camps, and, for many, death—contributed significantly to the nightmarish aspects of individual life under Stalin.

The "tight discipline" entailed by the economic and organizational aspects of Stalinism merges into what Sweezy terms the second meaning of Stalinism—"the glorification of the leader, abuses of power, blind intellectual dogmatism." It is difficult—perhaps impossible—to disentangle the "excesses" of Stalinism from its economic and organizational policies. Stalin's personality—particularly in his later years—contributed to the capricious terror, fear, and mass imprisonment which cannot be written off as part of the necessary price of development. Yet, the individualistic structure of incentives operating within the system as a whole would probably have concentrated heavy pressures on the personality of any leader. Carrot and stick policies operating within the context of extreme scarcity enhance the role of fear, intimidation, and coercion as promoters of social order. Quite predictably, then, the system which Stalin helped to create ironically defined and exaggerated his paranoia.

Moreover, the system as a whole required a secular religious figure, though perhaps not one with Stalin's specific traits. Under Stalin, the theory and practice of "positive and negative incentives" intensified privatized consciousness, alienation, and individual withdrawal: and these tendencies toward privatization required a counterbalancing, unifying national ideology. Hence, Stalin not only functioned as leader, but also as a unifying symbol for the entire nation. He became the

living deity of a secular religion, ruling not only by force, but also by miracle, mystery, and authority.¹¹ (It is probably more than a coincidence that no underdeveloped socialist society has been able to accomplish the enormous task of liquidating underdevelopment without relying on a strong leader who has developed mythological proportions.)

In the medium historical range of a half century of progress out of the wilderness of underdevelopment, the Soviet model of material incentives has been both feasible and desirable. As Robert Heilbroner observes, ". . . what the revolution did at terrific cost was forcibly to reshape the Russian peasant culture to the roots and to enforce a modernization of attitudes and institutions. Today, whatever one may think about Russia, one cannot call it a backward country. Modernization, with its possibilities and its dangers, has set in."¹² Furthermore, the negative effects of material incentives on the quality of individual life were, I believe, largely inescapable given the historical situation, the degree of backwardness, and the goals of development. Scarcity of material and intellectual resources exacted a heavy price from most sectors of the population.

Nevertheless, the Stalinist model of economic development, with its inegalitarian policies and material incentives, resulted in unnecessary hardships and cruelties which the ideology and practice of moral incentives has to a considerable extent enabled the Chinese to avoid. Although the differences are primarily of degree, they are nevertheless crucial to an estimation of the comparative quality of life. In order to make egalitarian policies and moral incentives work, the Chinese have tolerated—and even promoted—a degree of periodic social upheaval, disruption of the most "rational" patterns of work. As a result, moral incentives in China seem to have several advantages over the Soviet ideology of development. Like material incentives, moral incentives have organized and elicited subjective energies sufficient to alleviate the most dire hardships imposed by extreme scarcity. And more importantly, moral incentives, operating at both ideological and structural levels, have been largely responsible for modifying attitudes toward material hardships. Through egalitarian policies and moral incentives, the Chinese have been able to perpetuate a high degree of revolutionary enthusiasm and collectivist spirit throughout the post-revolutionary decades, periodic lapses notwithstanding. To the extent that "spiritual transformation" of consciousness has been successful, the Chinese have been able to minimize two of the most odious aspects of Stalinism—individual alienation and physical coercion.

Although scattered, impressionistic, and too infrequent, the reports emanating from China suggest that at all levels of society, individuals enjoy a greater sense of participation in the decisions which immediately affect their lives than was the case in Stalin's Russia. One need

not rely solely on the testimony of sympathetic critics such as Deutscher. For example, in 1966 Barry Richman noted that in the context of centralized planning, Chinese managers exercise a greater degree of authority, independence, and influence in the decision-making processes than the Soviet managers did as late as the early 1960s. The sense of voluntary participation at all levels extends to every area of Chinese economic, social, political, and cultural life. After a brief tour of China in late 1966, Dave Dellinger reported that by pre-revolutionary standards of democracy and individual participation in public life, the emerging generation of Chinese youth exhibited an enormous sense of self-reliance and self-confidence. Dellinger, who edits *Liberation* (a publication not noted for its celebration of authoritarian governments or of rational methods of production) declared that "whatever else may be unclear about what is happening in China, there is no doubt in my mind as to the eagerness with which students have been exploring new ideas and formulating new programmes".¹² From his admittedly limited observations, Dellinger concluded that the Cultural Revolution has been the vehicle through which Chinese youth, traditionally trained to submit to authority, is entering into the public life of the society. As an example of the "democracy of debate" Dellinger reported on the raging war of posters and slogans. Though the majority of the posters struck Dellinger as "routine and devoid of content or imagination as most official exhortations to virtue in any culture," they could be regarded as "endorsements of the whole process of exploration and revitalization that was reflected in the thousands of manifestos that lined the walls at eye level. In any event, there was no doubt about the seriousness with which individual students and small groups of students went about composing their own posters to express their own thoughts and sentiments. One could see them kneeling on the sidewalks after midnight putting their thoughts on paper, discussing a particular turn of phrase, and then pasting their own views as close as possible to the poster with which they disagreed."¹³

Of course, Dellinger does not suggest that the Cultural Revolution is totally non-violent. One professor admonished him not to "forget that this is a real revolution, not play acting. A revolution is very serious and very deep and is bound to arouse opposition from people whose special privileges are being taken away. At the beginning the Red Guards had no experience in how to do it. This is a revolution of the people and the leaders can't do it for them. Naturally some of the Red Guards got out of hand in the beginning but the leaders came out strongly against violence and most of that seems to be over now."¹⁴

As an ideology of development, then, the Chinese system of moral incentives seems morally preferable to the Stalinist model of material incentives: both models are feasible and desirable insofar as they

alleviate elemental forms of misery imposed by underdevelopment; but moral incentives in China have helped to avert some of the ugliest features of Stalinism—its heavy reliance on coercion and its subordination of individual spirit to the collective requirements of production.

Measured against the historical alternatives—both socialist and non-socialist—moral incentives seem to be the most ethically desirable system of motivation available to the Chinese. Nevertheless, those aspects of Chinese moral incentives which impinge upon the individual's freedom to think and act—principally, the cult of Mao and the intensity of group coercion—must be subjected to continuous criticism, even though these restrictions may be largely unavoidable at this stage of development. Western critics, including many socialist intellectuals, may tend to overestimate the value of individual freedom as a result of their own traditions. Ultimately, however, the emphasis on individual values is not simply a bourgeois fetish: the major differences between capitalist and socialist morality do not arise from the individual-collective disjunction—it is a bourgeois fantasy to label them mutually exclusive. Rather, they constitute the problem. Marx accepted the importance of individual values: what he rejected in bourgeois society was their practice by a hypocritical minority which used them to maintain the majority in misery. Marx imagined the synthesis of individual and collective values at ever higher stages of economic and social development. It is pointless to pretend that a fully satisfactory synthesis of individual rights and collective responsibilities exists anywhere in the socialist world. In both underdeveloped and advanced socialist societies the principal obstacle to the extension of democracy lies in the failure to widen the scope of individual privileges and rights of individuals as rapidly as changing economic and social conditions permit.

To the extent that attitudes toward the thought of Mao inspire confidence, dignity, boldness of thought, they not only improve the present quality of individual life but also prepare the way for future possibilities for individual thought and expression. But to the extent that the idealization of Mao's teachings reduces creative thought to acceptable thought, the quality of individual life suffers; in medium-range terms, such restrictions on individual expression constitute a form of social deficit spending. For sooner or later social and moral costs must be paid when, for example, more extensive parameters of creative thought become a stimulus instead of a hindrance to economic and cultural development.¹⁹

Similarly, means of internalizing moral incentives—education, debate and criticism—must be understood in terms of the actual social context in which they occur. As practiced in China, the intellectual and religious aspects of converting individuals often turn education

and debate into euphemisms for various forms of social, psychological, and even physical coercion. H. F. Schurmann notes that “. . . the Chinese Communists never permit participation in group activity to be simply verbal. In most instances 'study groups' and 'work groups' are one, so that an individual subjected to verbal pressures in one group context will find himself being tested by his concrete work in that same group context. In other words, the party member not only engages verbally with his comrades, but finds himself sent out to do practical party work, like organizing, lecturing, interviewing, and so on. Both work and talk are forms of participation, and coming together they compound the pressures to involve an individual in the 'cause' or organization in question.”⁷⁷ I do not suggest that Stalinist terror and Maoist persuasion are indistinguishable forms of coercion. Nor do I maintain that counter-revolution should be risked to insure a higher level of individual freedom for a minority, but merely that the content of terms such as "democracy", "debate", and "freedom" be clearly specified and their repressive elements understood, condemned, and transcended as quickly as possible. Although important to a judicious picture of the feasibility and desirability of moral incentives in China, these caveats finally amount to minor qualifications. By all relevant historical standards of practice, egalitarian policies and moral incentives have been the single most crucial subjective factor in improving the material and spiritual quality of life in post-revolutionary China.

V. Conclusion

This brief survey suggests that the controversy over incentives cannot be understood apart from the socio-historical contexts in which it takes shape. The rhetoric of the dispute over moral and material incentives tends to simplify the problems confronting each socialist country, and to blur the vastly different sets of obstacles and potentialities confronting the advanced and underdeveloped nations. The usual formulation of the issue of incentives as a dichotomy generates the illusion of choice—the illusion that every socialist nation may adopt the incentives system of its desire. In practice, however, the range of choice is much narrower, because systems of incentives are finally dependent upon a multiplicity of other economic, social, and political factors. Choice operates within very narrow limits: at present, advanced socialist societies have no option other than to extend material incentives within an overall framework of socialist planning. Underdeveloped socialist countries, on the other hand, apparently enjoy a wider spectrum of choice, especially during the initial stages of their post-revolutionary development.

The abstract character of the controversy also tends to obscure the

functional meaning and ethical significance of the basic terms—"moral" and "material". The principal distinction between material and moral incentives is not the tangible or intangible nature of the reward, but the *reasons* for which it is presented and the *motives* for which it is pursued. Both material and moral incentives can be either individual or collective, monetary or nonmonetary, tangible or symbolic. The crucial distinction is whether the individual participates in social life primarily for private gain or primarily for the public welfare. In social practice, quite obviously, motives are mixed, but moral incentives stress the priority of "serving the people" as a means of serving oneself, whereas material incentives characteristically reverse the priorities. Moreover, moral incentives require fundamental egalitarian policies and organization of work, whereas material incentives presuppose classical models of organization.

The brief comments concerning the probable future of moral incentives in China represent no more than the vague outlines of an analysis which urgently needs to be expanded and clarified. For the future shapes of socialist—and post-socialist—societies depend, in large part, upon how clearly the narrow possibilities of choice are focused. Thus, despite rhetorical deformations and actual complexities, the controversy over moral and material incentives remains the most crucial dilemma facing every country in the socialist world.

In the mirror of utopian communist morality, the advanced socialist countries may appear impossibly corrupt: yet the same mirror should reveal the enormous sacrifice, pain, and repression associated with economic development in the underdeveloped socialist countries. Both groups of nations are a long way from achieving socialism and communism, in a Marxist sense of the terms. For the underdeveloped countries, the chief historical problems at the moment are to defeat the external threat of imperialism, and to survive the internal danger that extreme scarcity and backwardness will encourage various forms of Stalinism. For the advanced socialist countries, the principal internal problem is to wrestle with the mixed blessing of relative abundance and somehow create decent socialist societies.¹⁹ Both of these historical "projects" are enormous, and it is clear that the vast disparities in economic and social development between the advanced and the underdeveloped socialist societies will continue to generate and perpetuate conflicting interests.¹⁹ Although socialist intellectuals can lament the disunity, they cannot create harmony out of rhetoric. Between the end of capitalism and the achievement of general abundance, the dynamic content of "socialist morality" will be contradictory: it will remain at once a sign that scarcity still dominates the life of man, and a resolution that man shall end the dehumanizing reign of scarcity. Socialism will doubtless advance haltingly, by spawning bureaucracies which will

repeatedly harden and threaten the full development of the creative human spirit. Under socialism (which is, after all, still a part of the kingdom of material necessity) men will need to protect the human spirit time and again against the status quo—occasionally, by revolutionary force, and constantly, by revolutionary thought. The socialist intellectual must therefore continue his critical function in societies attempting to build socialism. As Paul Baran declared, the intellectual must display honesty and courage, a “readiness to carry on rational inquiry to wherever it may lead, to undertake 'ruthless criticism of everything that exists, ruthless in the sense that the criticism will not shrink either from its own conclusions or from the conflicts with the powers that be' (Marx)”.⁶⁹ He continues :

An intellectual is thus in essence a *social critic*, a person whose concern is to identify, to analyze, and in this way to help overcome the obstacles barring the way to the attainment of a better, more humane, and more rational social order. As such he becomes the conscience of society and the spokesman of such progressive forces as it contains in any given period of history. And as such he is inevitably considered a “troublemaker” and a “nuisance” by the ruling class seeking to preserve the *status quo*, as well as by the intellectual workers in its service who accuse him of being utopian or metaphysical at best, subversive or seditious at worst.”

With very minor modifications, Baran's description of the intellectual's role applies both to contemporary capitalist and socialist societies.

But the divisions within and among countries of the socialist world, and the failures of both moral and material incentives to nurture socialist man should neither cause us to abandon the realities nor to surrender the Marxist vision : it is too easy to neglect the achievements and the potentialities of socialism by constantly demanding that a future communist ideal take shape prematurely. The world revolution of this century promises to lay to rest the elemental natural and historical afflictions of mankind—hunger, disease, ignorance, and war. Measured against the ultimate vision of Marx and other prophetic-philosophers, these potential achievements may seem pedestrian (though in moments of candour, even the beginnings of a decent world-community appear remote). Yet insofar as the world revolution in philosophy becomes a world revolution in fact, a portion of the word will have been made flesh. And this global transition may enable men consciously to shape their lives—freely, and without need of “incentives”.

NOTES

1. Unless otherwise specified in the text or notes, I shall use “socialist” primarily as a descriptive term covering two groups of nations: the relatively advanced countries loosely grouped around the USSR, and

those in the Chinese sphere of geographical and/or ideological influence—North Vietnam, North Korea, Albania, and to a limited extent, Cuba. The concept of socialist man is necessarily vague and fragmentary. As Isaac Deutscher noted, "it is easier" to "see what Socialist Man cannot be than what he will be". "Socialist Man": Isaac Deutscher's Address to [the socialist] Scholars' Conference of New York", *National Guardian*, September 24, 1966, p. 6.

Throughout, I shall concentrate on stating and criticizing the arguments in favour of moral, and against material incentives, because these seem the areas of the controversy most frequently given over to impassioned rhetoric rather than to lucid analysis.

I use "general abundance" to suggest a social condition in which goods need not be distributed in accordance with the productive effort of individuals, but rather on the basis of need and/or desire. For example, in most American communities there is an *abundance* of drinking water. *General abundance* would characterize a communist society in which most goods were as plentiful as drinking water.

Che Guevara, "Socialism and Man in Cuba", *Progressive Labor*, December 1965, p. 88.

Mao Tse Tung, "On the Correct Handling of Contradictions Among the People", *Mao Tse Tung: An Anthology of His Writings*, ed. Anne Fremantle (New York, 1962), p. 295.

"Study 'Serve the People' ", *Liberation Army Daily*, 30 November, 1966. Quoted from *Peking Review*, 6 January, 1967, p. 10.

8. *Ibid.*, p. 11.
9. *Ibid.*, p. 10.
10. "Comrade Lin Piao's Speech at the Mass Rally Celebrating the Great Proletarian Cultural Revolution" (18 August, 1966). Reprinted in *Carry the Great Proletarian Cultural Revolution Through to the End* (Peking, 1966), p. 30.

That is, through some combination of "democratic centralism" and "extensive democracy", the individual must have a sense of participating in the decisions which most immediately affect his life.
12. "Study 'Serve the People' ", p. 10.
13. Mao Tse Tung, *Talks at the Yen-an Forum on Art and Literature* (Peking, 1960), p. 2.
14. "Study 'Serve the People' ", p. 10.
15. Maurice Dobb, "Socialism and the Market", *Monthly Review*, Vol. XVII, No. 4 (September 1965), p. 31.
16. The classical theory of organization posits that the ideal organization is "... characterized by a clearly defined division of labour with a highly specialized personnel and by a distinct hierarchy of authority". The classical approach views workers as motivated by economic reward: "The central tenet of the approach is that if material rewards are closely related to work efforts, the worker will respond with the maximum performance he is physically capable of." Amitai Etzioni, *Modern Organization* (Englewood Cliffs, N.J., 1964), pp. 20, 21.
17. Béla Csikós-Nagy, "Socialist Economic Theory and the New Mechanism", *The New Hungarian Quarterly*, Vol. VIII, No. 28 (Winter 1968), p. 46.

18. Ota Sik, *World Marxist Review*, Vol. VIII, No. 3 (March 1965), pp. 17-19.
19. Csikós-Nagy, p. 46.
20. "Study 'Serve the People' ", p. 10.
21. "Emphasize Politics Forever", *People's Daily*, 4 February, 1966, p. 2.
22. *Ibid.*
23. *Ibid.*
24. The Editorial Departments of *Jen Min Jih Pao (People's Daily)* and *Hung Chü (Red Flag)*, "On Khrushchov's Phoney Communism and Its Historical Lessons for the World", Peking, 14 July, 1964, in A. Doak Barnett, *China After Mao* (Princeton, N.J., 1967), p. 135.
25. *Ibid.*
26. Quoted in Leo Huberman and Paul Sweezy, "The Latin American Revolution", *Monthly Review*, Vol. XVIII, No. 9 (February 1967), p. 4.
27. At least not in the immediate future. But as the level of prosperity rises—unevenly, to be sure—in the USSR and Eastern European countries, the possibility of a generation of "socialist hippies" (children of affluence) also increases. That is, if material incentives stimulate prosperity, they also contribute to various forms of socialist alienation which are borne more easily by those who accumulate wealth than those who merely experience it. Hopefully, expressions of youthful idealism in the socialist countries will not be turned into a grotesque parody, a commercial racket, as in the U.S. One possible *reaction* of young people to substantially higher living standards might be a campaign to introduce more militant forms of socialism, including some elements of moral incentives. There have been minor anticipations of such developments in the socialist countries. For instance, in the spring, 1968 demonstrations in Yugoslavia, the students demanded, among other things, that the government control the spread of private enterprise sectors of the economy.
28. Of course, it is possible to speculate that the Soviet Union might have been able to extend revolutionary enthusiasm and moral incentives after the death of Lenin. In the 1920s, Stalin, the Left Opposition (led by Zinoviev and Trotsky) and the Right Opposition (led by Bukharin) formed the basic options which the USSR presumably could have followed. Only if the Left Opposition had won could the Soviet Union have even *attempted* to enforce moral incentives over a long period. See Isaac Deutscher, *The Unfinished Revolution: Russia 1917-1967* (New York, 1967), especially Chapters II and III.
29. Lisa Foa, "The New Economic Course", *Monthly Review*, Vol. XIX, No. 6 (November 1967) p. 58 (my emphasis).
30. "The Action Programme of the Communist Party of Czechoslovakia", April 1968. Quoted in Paul Ello, *Czechoslovakia's Blueprint for Freedom* (Washington D.C., 1968), p. 107.
31. *Ibid.*, pp. 107-108.
32. *Ibid.*, p. 108.
33. H. Marcuse, *One-Dimensional Man* (Boston, 1964), p. 72.
34. A blanket journalistic term which includes all of the factions opposed to egalitarian policies and moral incentives in China.
35. See, for example, Maurice Dobb, "Socialism and the Market", pp. 30-36.

36. In "The Polish Consensus: Proletarianism and Sheer Pragmatism", *The New Republic* (27 May, 1967), Ross Terrill describes a typical pattern of post-war alienation which has, in varying degrees, affected the advanced socialist countries: "The great change since the war," observed a leading sociologist, is from messianic attitudes, including the notion that Poland has a special calling, to a fascination with technology and a concentration on economic development. The replacement of 'heroes' by 'citizens' has some way still to go, and Gomulka is increasingly said to be out of date, and failing to take a really long view, facing the future on its own terms.
- "The passing of the old communists, however, will remove a strong ingredient of dedication and public-spiritedness from Polish government.
- "A recent survey found among the young 'a conspicuous absence of public ambition, desire for power, or readiness to serve others'; none of these things Gomulka lacks. Can Poland face the international future in all its potentiality when quite a lot of the young are disengaged, distrustful of what has been offered them in the realm of ideas, bent single-mindedly upon private goals?
- "The striking fact is that the very success of Gomulka's policies has given Poland a period of growth and consolidation that has, in turn, produced the professionalism, practicality, and political disengagement of the young." p. 22.
37. Allen Solganick, "The Peril of Material Incentives", *Monthly Review*, Vol. XVIII, No. 8 (January 1967), p. 25.
38. *Ibid.*, p. 26.
39. Leo Huberman and Paul Sweezy, "The Latin American Revolution". p. 3.
40. For an informative and sympathetic account of contemporary China, see K. S. Karol, *China, The Other Communism* (New York, 1967).
- Massive generalisations about under-developed countries are apt to be misleading, though the abstraction can be useful in identifying the most pressing economic, social, and ideological problems common to nations plagued by an extreme scarcity of developed material and intellectual resources. By underdeveloped countries I mean most of the nations of Africa, Latin America, and Asia (excluding Japan) which have suffered decades—and in some cases, centuries—of economic domination by Western capitalist nations. For some of the general characteristics of underdevelopment, see the following: Paul Baran, *The Political Economy of Growth* (New York, 1957); Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America* (New York, 1967); Gunnar Myrdal, *An International Economy* (New York, 1956).
42. Isaac Deutscher, "Maoism—Its Origins, Background and Outlook", *The Socialist Register: 1964*, p. 29. Deutscher also notes the advantages which the Chinese enjoyed over the Soviets; cf. pp. 29-37.
43. *Ibid.*
44. Leo Huberman and Paul Sweezy, "The Cultural Revolution in China", *Monthly Review*, Vol. XVIII, No. 8 (January 1967), p. 12.
45. Since 1949 the Chinese have permitted small enclaves of "free enterprise" in order to make use of scarce trained manpower.
46. For an informative discussion of the origins and development of *hsia fang*, see Rensselaer W. Lee III, "The *Hsia Fang* System: Marxism

and Modernization", *China Quarterly*, 28 (October-December, 1966), pp. 40-62.

47. *Ibid.*, p. 47.

48. See note 16, above.

49. Experiments in communist morality have been undertaken and widely publicized since the early days of the Soviet Union. For instance, in 1919 Lenin wrote about the "communist subbotniks," the volunteer labourers who embodied, in microcosm, the moral direction of the society as a whole: ". . . the *Communist subbotniks* organized by the workers on their own initiative are positively of enormous significance. Evidently, this is only a beginning, but it is a beginning of unusually great importance. It is the beginning of a revolution that is much more difficult, more material, more radical and more decisive than the overthrow of the bourgeoisie, for it is a victory over personal conservativeness, indiscipline, petty-bourgeois egoism, a victory over the habits that accursed capitalism left as a heritage to the worker and peasant. Only when *this* victory is consolidated will the new social discipline, Socialist discipline, be created; only then will a reversion to capitalism become impossible and Communism become really invincible." V. I. Lenin, "A Great Beginning", *Selected Works* (New York, 1943), Vol. IX, pp. 423-24.

50. Thus far, the Chinese have sought a reasonable balance between consumption and long-term investment: "The Chinese régime feels that it is imperative to raise agricultural productivity substantially, given the country's huge population. Moreover, the régime views the Chinese revolution as basically a peasant rather than worker revolution . . . and therefore, may feel more strongly about improving the lives and working conditions of the peasants in the short run. . . .

"China also seems to be making sizeable investments in various consumer goods industries as well. . . . The régime also seems sincerely concerned about providing its huge population with more and better consumer goods in the short run, and this is probably another major reason why they are willing to make sizeable capital outlays in various consumer goods industries. There is a surprisingly wide variety of consumer goods of relatively good quality available. . . ." Barry Richman, *A Firsthand Study of Industrial Management in Communist China* (Los Angeles, 1967), pp. 27-28. This excellent account of industrial management in China combines on-the-spot observation of Chinese industry with rigorous tools of economic analysis. Richman teaches in the Graduate School of Business Administration, U.C.L.A.

51. *Ibid.*, p. 45.

52. *Ibid.*, p. 39.

53. *Ibid.*

54. *Ibid.*, p. 40.

55. *Ibid.*, p. 42.

56. It is difficult to estimate the economic progress of China since 1949 with precision. Estimates of the growth rate vary widely in Western economic literature and it is difficult to find hard data. The most spectacular period of growth occurred during the first Five Year Plan (1953-57). Choh-Ming Li notes that "be it 7, 6.5, 6 or thereabouts, China's rate of growth during this period was quite high—more than double, if not three times, the average annual rate of natural increase of the population, officially

- estimated at 2.2 per cent". Choh-Ming Li, "Economic Development", *Communist China: Revolutionary Reconstruction and International Confrontation*, Franz Schurmann and Orville Schell, eds. (New York, 1966), p. 198.
57. Alexander Eckstein, "Economic Growth and Foreign Trade", Schurmann, *Communist China*, p. 421.
58. Roderick MacFarquhar, ed. *China Under Mao* (Cambridge, Mass. and London, England, 1966), "Introduction", p. vii.
59. For example, Richman divides the post-revolutionary decades into the following general periods: 1949–1952, a general *ad hoc* series of measures to recover from the disruptions of the revolution; 1952–1958, the first Five Year Plan, patterned mainly on the Soviet model of development, with material incentives and "rational" theories of industrial management in the ascendancy throughout the country; the Great Leap Forward of the 1958–1962 period, a massive attempt to practice moral incentives, followed by another period of "economism" which lasted until the formal inauguration of the Cultural Revolution in 1966.
60. Richman, *A Firsthand Study of Industrial Management in Communist China*, pp. 1-2.
61. *Ibid.*, p. 1.
62. *Ibid.*, p. 10.
63. Huberman and Sweezy, "The Cultural Revolution in China", p. 13.
64. *Ibid.*, pp. 15-16.
65. Paul Baran, "A Few Thoughts on the Great Debate", p. 36.
66. Quoted in *The Basic Writings of Trotsky*, Irving Howe, ed. (New York, 1965), p. 219.
67. Paul Baran, *The Political Economy of Growth*, p. viii.
68. H. Marcuse, "Ethics and Revolution", in *Ethics and Society*, (ed. R. T. de George, New York, 1966), p. 139.
69. Schurmann, "China's 'New Economic Policy'—Transition or Beginning?", p. 229.
70. Paul Sweezy, "The 22nd Congress and International Socialism," *Monthly Review*, Vol. XIV, No. 1 (May 1962), pp. 48-49.
- In an autobiographical account of her experiences as a political prisoner during the 1930s, Eugenia Ginzburg observes that many of her companions retained their faith in the Soviet leadership in spite of the enormous suffering and hardships of their imprisonment. Twenty of her 75 fellow prisoners "insisted with fanatical tenacity that Stalin could not know what was going on".
72. Robert Heilbroner. Quoted from Bengelsdorf, "Two Spectres Haunt World: Starvation or Revolution".
73. Dave Dellinger, *Report on the Cultural Revolution* (Ann Arbor, Mich.: Radical Education Project, 1967), p. 6.
74. *Ibid.*
75. Dellinger, *Report on the Cultural Revolution*, pp. 6-7.
76. See Paul Baran, "A Few Thoughts on the Great Debate", *Monthly Review*, Vol. XIV, No. 1 (May 1962), pp. 34-45.
- H. F. Schurmann, "Organisational Principles of the Chinese Communists," *China Under Mao*, pp. 96-97.

78. I prefer Barrington Moore's formulation of a "decent society" to more pretentious terms: ". . . the conception of a decent society has an even more restricted and negative aim than the elimination of useless suffering. It means no more than the elimination of that portion of human misery caused by the working of social institutions. The historically recurring forms of suffering due to such causes can be grouped very roughly under the headings of war, poverty, injustice, and persecution for the holding of unorthodox opinions. Even if it were possible to remove these forms, there would certainly remain all sorts of purely personal unhappiness and indeed tragedy." Moore, "The Society Nobody Wants", *The Critical Spirit*, p. 402.
79. My use of the term "project" follows Marcuse: "I have used the term 'project' so repeatedly because it seems to me to accentuate most clearly the specific character of historical practice. It results from a determinate choice, seizure of one among other ways of comprehending, organizing, and transforming reality. The initial choice defines the range of possibilities open on this way, and precludes alternative possibilities incompatible with it." Marcuse, *One-Dimensional Man*, p. 219.
80. Paul Baran, *The Commitment of the Intellectual* (New York, 1961), p. 10.
81. *Ibid.*

