

a selected chapter from

THE ASSOCIATIVE ECONOMY **Insights beyond the Welfare State and into Post-Capitalism**

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Chapter 11 BEYOND CAPITALISM?

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1 Social Democracy, the Political Lefts in General, and Planning

It is curious that during the most recent debates for or against the Welfare State¹ about the nature of its 'crisis' and the recipes to revitalise or transform it, nobody remembered the prophecy by Myrdal (recalled at the end of the preceding chapter) and nobody - remembering Myrdal or not - mentioned his recipe in order to avoid that crisis: the progress of social planning, as a modern tool of public and political management.

Such a planning, in fact, not only was not considered (as Myrdal did, and with him dozens of genial economists including Ragnar Frisch, Jan Tinbergen, Wassily Leontief, Richard Stone, Leif Johansen, Karl Fox) as the only serious exit from the 'crisis' of the Welfare State; but it is also completely absent, even as a possibility, from the minds of those broaching the theme², almost as if it were an obsolete and outdated solution.³

And it is even more remarkable that now the lack of any acknowledgement of the need for planning is even more manifest among political, social and intellectual circles who seem the 'official' supporters of the Welfare State (social democrats, trade unions, the 'left' in general), than among the traditional conservative Right supporting laissez-faire and free trade.⁴

All this indicates that the traditional Left prefers potentially 'unlimited' Welfare State, but one potentially also on the edge of bankruptcy, rather than a Welfare State which 'can keep its accounts' with resources (*via* planning), and assumes responsibility for alternative choices in the social consumption it provides, which would lead it to a lasting, healthy and 'sustainable' management. Doing thus, they demonstrate faith in 'political laissez-faire', in which the adjustment of resources and the decisions on limits takes place on the basis of the principle of laissez-faire and power clashes, more than do conservative forces, traditionally supporters of the laissez-faire.

On the other hand, the whole debate about the welfare state in the recent years has still the old, obsolete and boring flavour of 'déjà vu', and seems to be stuck in the old, decrepit quarrel on yes or not to state interventionism, and - within the Left - between reformers and radicals (or «maximalists»), without being able to grasp the signs of a management reform of the state (which is called *strategic planning*), that goes well beyond the mentally narrow terms of that age-old dispute. What is most disappointing is that the academic circles and literature (which unfortunately has lost in average quality in parallel with its quantitative growth) tend to be the spokesmen - in a cultured

version - of these quarrels, rather than refine methods and techniques of public management, able to really renew the quality of public choice.

Planning continues to be seen as a «technocratic» tool of the central power against the freedom of choice of individuals and groups. Coming this together with the recent crisis of the Soviet system, where economic planning seemed nominally to dominate (yet what kind of planning was it really?), it is not surprising that it became a politically «dirty word», and that thus the politicians, but unfortunately also the academics more or less «susceptible» to political fashions (or worse, those that introduced political fashions into the universities) carefully avoid uttering it, even with reference to its true and authentic concepts.

Yet it is impossible to escape the essence of things: and maybe with other names⁵, planning must be the line of advance of public management, from the level of single public agencies to the level of co-ordination among them, up to the level of co-ordination between the public agencies and the agencies of the private and/or public realm, on the national and the (today more and more pervasive) international level.

I will discuss later in this chapter the increasingly indispensable relations between the management of the welfare state and planning policy; and in the last, summarising, Chapter 13 more generally about the role of planning policy in the historical renewal of the methods of political and economic management. I would like to emphasise here that most debates in political science, still linked to obsolete frameworks, seem to me a sign of the antiquity of the current debate, compared to a real 'frontier' approach to the topic. For example, the debate on the 'alternatives to Capitalism'.

2 'Alternatives' to Capitalism? A False Problem

The debate on the alternatives to capitalism recalls very wide and rich debates from the last century to ours. From the utopian thinking to the socialist one, in all its variants, from all visions of a «intermediate» society, liberal-democratic, liberal-socialist, corporative, (fascist or catholic) itself in many versions, and so on, since ever (I would say since its birth and its «modelling», undertaken more by its adversaries than by its supporters) *alternatives* to Capitalism have been sought.

Yet the very concept of an «alternative» smells musty. It shows traces of an 'ideological' approach, since long time rejected in words, yet hardly abandoned in deeds. It seems almost to have the force of a paradigm. And if the paradigm is not transformed, hardly we will avoid false problems today.

And yet, today and most intensely during the last decade in the face of the crisis of communism and of the so-called 'real socialism' countries, the tendency to loose time around the question of whether there are serious 'alternatives' to capitalism is still very widespread.⁶

But by approaching the problem in this way, one is very far from the critical spirit which pervaded the present essay, which is inspired by what in earlier times (not very precisely) would have been called 'historicism'. Capitalism, and the 'market' as well, (being a further «mystified» conceptual entity mistakenly assimilated to the former) do not, and cannot, have any 'alternative'. In the same way as any other phenomenon in the history of humanity cannot, for which we - as professional or amateur historians - have invented a term in order to classify it and give to it a meaning relatively to the continual magma of events. Nobody would try to discuss alternatives to Feudalism, to the Renaissance, to Enlightenment, to Nationalism, and so on. What is disputable is the property of the terms, which systematically have for some a wider and for some other a narrower meaning; thus also 'capitalism' and the 'market' have infinite historical nuances, manifold dating, and many meanings as well, and hardly generate alternatives, if not in the course of events.

When and where can capitalism be said to be really born? And can it be said when it really died or will die? All is conventional. And we owe the most refined visions of this to the producers of interpretative frameworks, rather than to the historians, obviously tend to disintegrate, to crumble and to scatter any conceptual unification (and thus periodization) of this kind.

The ground is even more dangerous when these concepts are set against their alleged opposites, such as: Capitalism vs. Socialism; Central Planning vs. the Market; or further derivations, such as: Capitalism vs. Central Planning, and the Market vs. Socialism.

Yet history - the recent as well as the less recent one - should have taught us for a long time how fallacious these oppositions are; and on the contrary, how a wide and diffused mix of characters has for a long time characterised and predominated in the evolution of contemporary industrial societies, to the point that it stimulated many authors to present 'transversal' interpretations, as an interpretation and classification of 'economic systems'. For example, the interpretation of Rostow (already considered in chapter 2) who, leaving aside of the 'social-economic systems', has laid down the periodization and the reading of the different «economies» by attributing to them a 'stage of development'. Or the well-known one by Kerr, Dunlop, Harbison and Meyer (1960) who proposed and applied, *industrialisation* as a key to the interpretation of the 'social-economic systems', (which was considered in Chapter 2 as well).

To the point that have been suggested - instead of transversal interpretations such as those just recalled - synthesising interpretations: for example those of the 'mixed economies' (in the western world) or of 'market socialism' (in the socialist world). These are interpretations and readings which showed themselves to be strongly anchored also to the persisting will to start from schematics of functioning (possibly called 'economic systems', which on both sides have been made obsolete by the

