

# **The Advance of 21st Century Socialism in Latin America and Europe**

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## **1. The Genesis of the concept 21<sup>st</sup> Century Socialism**

As any living system in the universe, biological or social, socialism as a specific form of civilization of the modern ages is part of the general evolutionary process. From utopian socialism to scientific socialism on to the so called “really existing socialism” it has evolved in dialectic consonance with the general transformation of mankind. Thus, when I decided to publish a book around the year 2000, on a socialist civilization corresponding to the conditions of the new millennium and scientifically centered around Arno Peter’s equivalence principle as a basis for a new world economy, I was in need to give it a new name. After long discussions in Latin America and Germany, I decided to call it “Socialism of the 21<sup>st</sup> Century”. Alternatively I use “participatory democracy”.

## **2. Introduction of 21st Century Socialism theory into Latin America**

The new concept and its underlying theory became well known, when the Venezuelan President Hugo Chávez used it during the World Social Forum in Porto Alegre, Brasil, in 2005, declaring that the Venezuelan Revolution would be a revolution of 21<sup>st</sup> Century Socialism. Since then, many new center-left Latin American Presidents have adopted the concept. However, it has not been implemented yet. Hugo Chavez’s decision to collaborate with China’s *Zhong Yang Dang Xiao*, the “Party School of the CPC’s Central Committee”, in the formation of his party’s cadres, might become an important step in the right direction.

## **3. Attempts to implement 21st Century Socialism in Latin America**

Since President Chavez’ came to power in 1999, a number of new center-left Latin American Presidents won elections and adopted the concept. Such is the case of Evo Morales in Bolivia, Rafael Correa in Ecuador, Daniel Ortega in Nicaragua and Fernando Lugo in Paraguay. Although the discourse of the new civilization, also called participatory democracy, soon became widespread, the actual economic policies of the new presidents stuck essentially to nationalistic keynesian strategies of development and import substitution within their existing market economies.

To a certain extent, Venezuela is an exception to that kind of developmentalism. President Chávez has made several attempts to construct and empower popular forces (subjects), capable of advancing economic progress and democratic participation of the

masses, such as the cooperative movement, the communal councils and, most recently, the “communes”. From an economic-developmental point of view these attempts have not been efficient, although they gave the government a mass base of organized social support.

Now, with a 30% medium inflation rate in 2008/9, the government is at a crossroads. President Chávez is obliged in 2009, to either apply traditional counterinflationary measures ---which might negatively affect his electoral standing--- or begin to build non-market economic institutions (value accounting, equivalence exchanges), demonstrating to his citizens that the promise of Venezuelan 21<sup>st</sup> Century Socialism is for real.

Cuba finds herself in a particular situation. The available evidence, particularly Raúl Castro’s discourse and economic measures, seem to indicate an increasing inclination towards the adoption of Friedrich List’s development strategy, which also lies at the basis of the success of the Asian tiger economies. If this accumulation model is being adopted by the government, then it would require the parallel evolution of the economic institutions of 21<sup>st</sup> Century Socialism, in order to avoid that its historic revolutionary project ---20<sup>th</sup> Century Socialism--- loses its original impetus and essence.

#### **4. The state of the Scientific Theory of 21st Century Socialism**

There have been major advances in the Science of 21<sup>st</sup> Century Socialism, mostly owed to the general progress of natural and social sciences in the last decades, particularly in computer sciences, mathematics and information theory. The convergence of knowledge from the free software movement (for instance, peer-to peer platforms), the advances of the Scottish School of Economics (Paul Cockshott, Allin Cottrell), the school of “econophysics”, and the Bremen School of Economics (Peters, Stahmer, Bartsch, equivalence economy), have put the Science of 21<sup>st</sup> Century Socialism on such an advanced theoretical level that it has become necessary to go ahead with a first phase of pilot studies, particularly in the field of value accounting and simulation models.

#### **5. Strategic alliance among social movements and critical science**

To that effect, Scientists for a Socialist Political Economy (SSPE) and the Regional Popular Power Block (BRPP) of Latin American social movements, founded in October 2006, in Sucre, Bolivia, conducted an important Congress and press conference in Caracas, Venezuela, on October 8<sup>th</sup>, 2008, where we published the first **“General Transition Program for the Political Economy of 21<sup>st</sup> Century Latin American Socialism”** (see [www.socialismoxxi.org](http://www.socialismoxxi.org)).

This alliance-experience was further advanced with social movements, members of the international scientific community (Cottrell, Cockshott, Bartsch *et al*) and progressive Latin American state sectors, on February 27, 28<sup>th</sup>, 2009, in the Venezuelan city of Barquisimeto. At this Congress, a worker’s delegation of our BRPP, from Latin America’s biggest ship

yard, in Rio Santiago, Argentina, explained how they had carried out, by their own initiative, the value accounting of an oil tanker for PdVSA. (See [www.socialismoxxi.org](http://www.socialismoxxi.org) and [www.puk.de](http://www.puk.de)).

At the WAPE-Congress in Paris, in an international conference in Passau, Germany, on June 5-7<sup>th</sup>, and in Berlin in October, 2009, we will submit an invitation to the general public to participate in the discussion and evolution of the first edition of a “**European Union Transition Program for the Political Economy of 21<sup>st</sup> Century Socialism**” (see [www.socialismoxxi.org](http://www.socialismoxxi.org)), to be revealed at said events. For August 2009, we have organized the *Third Congress of Social Movements and critical Science for the Liberation of Latin America and 21<sup>st</sup> Century Socialism*, in Central America (San Salvador).

### **6. Regional transition programs: a heuristic anticapitalist imperative**

We consider these regional transition programs, within the general logic and framework of transition from 21<sup>st</sup> Century capitalism to 21<sup>st</sup> Century Socialism, as useful and necessary heuristic instruments in the current stage of the “battle of ideas”, in order to help focus the global post-capitalist debate. That debate is now utterly fragmented and essentially concentrated on the critique of the current capitalist world crisis.

### **7. Rejection of 21st Century Socialism**

21<sup>st</sup> Century Socialism is a new scientific paradigm that encounters the usual phenomena of inertia and conservatism which have accompanied the introduction of every new scientific paradigm, from classical physics, to evolutionary theory to quantum physics. In addition, it evokes a class based rejectionism on behalf of the intelligentsia of the privileged and dominant classes. The rejectionism based on mental inertia and conservatism, however, is transitory, because as a true scientific paradigm, 21<sup>st</sup> Century Socialism presents a much better explanation of the evolution of socialism in the new century, than either market based approaches or 20<sup>th</sup> Century Socialism. Class based rejectionism, though, will persist and increase over time as the scientific quality, as well as the transformation and social mobilization potential of the new paradigm, become ever more evident.

### **8. Distinctive features of 21st Century Socialism**

Distinctive features of 21<sup>st</sup> Century Socialism are, among others: 1. a labor-value based, democratically planned political economy, with direct proportionate retribution of workers for their labor time, and the validity of the equivalence principle; value-accounting and equivalence principal make exploitation through private ownership of the means of production (capital, money, land) and the determination of the market price by the economic elites, impossible. *Value* as the operating principle of the economy, and *equivalence* as its exchange principle, amount to the *functional* neutralization of all

chrematistic exploitation mechanisms.

2. In order to achieve a sustainable and democratically organized world economy, 21<sup>st</sup> Century Socialism considers imperative, that it must be organized from: a) a resource based point of view and, b) upon the ethical and juridical principle, that any human being has the right of equal access to these resources, since they are collective patrimony of all members of mankind.

3. Participatory democracy in the four main relationships of human mankind: economical, political, military and cultural; transcendental public decisions in these spheres will be decided by electronic plebiscites while minor decisions will be exercised by representative political institutions. Random choice selection for representative political bodies will be a major element to obtain a statistically representative political representation of the social universe.

4. A scientific anthropological paradigm, not based on the idealistic notion of the “hombre nuevo”, but on the scientific knowledge of the properties of biological and social human software and hardware.

5. A majority-controlled state executive, that is, public authorities, not determined in their praxis by dominant class interests.