

## Book Review

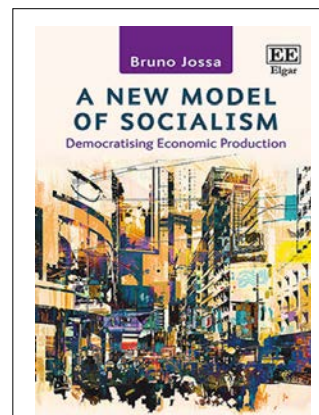
# A New Model of Socialism- Democratising Economic Production Bruno Jossa, E-Elgar 2018

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**Abstract** This review explores the importance of Socialism and the need for a new economic democracy based model. Jossa (2018) shows the opportunities could come from a new framework of the new socialism model. The requirements for a new socialism model is analysed and calibrated in relevance to having workers controlled organisations. Then, approaches in evaluating socialism in the ways it was raised are listed. The book of the New Model of Socialism question why socialism might come back and how the future models would look like if it stays. The uniqueness and limitations of Jossa book are then discussed as part of concluding remarks.

**Keywords** Socialism, Socio-economy, Economic Production, Democratising Economic Production

## 1. Importance of Socialism

Socialism is one of Marx's main contributions to science. Marx contribution comes from two perspectives 'social production relations' and 'models of production'. Therefore, Pareto, the popular Italian economist, approved the importance of socialism as an important scientific approach that has a comparative analysis of two anti-ethical systems, such as free competition and state-controlled production.

Socialism found to influence two economic democracies cooperative enterprises models, worker-managed firms (WMFs) vs labour-managed firms (LMFs). Thus, socialism is a system that produces democratic firms with a flexible planning and possible product mix. Socialism address the way the economic life is organised, where society is divided into classes and with different modes of production governing the development of human society.

Socialism as a theory highlights the different production modes that arise at various steps in history whereby capitalism is only the last link in a long chain. The mechanisms governing the development of each production mode is influenced by the behaviour and is greatly affected by the way production is organised. Hence, socialism as a production model can be more realised once reflected in a social organisation where its system shapes the production methods at large.

## 2. Opportunities for Economic Democracy

Economic democracy is of interest for the researcher as it coincides with the concepts of Inspiration Economy that been tested in many areas in relevance to communities' development, Buheji (2016).

The aim of the 'Economic democracy' is essential for creating a genuinely democratic besides socio-political sphere. This engaging book uses Marxist theory to hypothesise that capitalism is not a democratic system and that a modern socialist system of producer cooperatives and democratically managed enterprises are highly needed today, especially with the shaking capital economy. Socialism, if calibrated, carries many potentials for better resilience economy practices. Buheji (2018). The precondition of attaining more freedom is the absence of repression — opportunities for self-advancement through the extension of representative organisations of the industry.

## 3. Framework of the New Socialism Model

Jossa (2018) discusses the new model of socialism that comes as a result of the crisis of the socio-politics of the Left, especially after the collapse of the Soviet Union model of society. Bruno Jossa expands on existing theories of Marx in a

modern setting. Jossa explores the influence of model modification that focuses on firms that apply self-management economic socialism, instead of a model that uses centralised planning as used to be applied by the Soviet Union.

The Jossa model differs from the previously failed model in that it does not prioritise the interests of one class over another, in order to achieve greater economic democracy. It is argued that the establishment of such a system of democratic firms is the precondition for reducing intervention in the economy, thus enabling the State to perform its ultimate function of serving the public interest.

Markoic (1969) mentioned that no radical or revolutionary idea could sustain unless it were ultimately aimed to create conditions under which producers in the association would be freely disposed to create the desired work. The book proposes that capitalism is a democratic system and that a system of producer cooperative, or democratically managed enterprises, can give rise to a new mode of production. This proposed democratic socialist model can genuinely comply with Marx's theoretical approach.

#### **4. Calibrating New Socialism Model Requirements**

A cooperative firm is considered to be the nearest approach to social justice and the most beneficial ordering of industrial affairs. The combination of capital and productive work in the same hands will lead to more advantages, not only for the workers but for the society at large.

Marx came with the proposition that if you work on something you should own, then and John Dewey, one of the greatest thinkers in the 20th century, endorsed such model of enterprises he also believed workers should own them. Marx believed that in order to create a democratic system, you need to ensure that it should also have a democratic economy and socio-economy, besides having a political economy.

#### **5. Importance of Worker Controlled Organisations**

Worker-controlled firms operate at high levels of efficiency and ensure major improvements over capitalism. Therefore, the social system is founded on the workers' union or committee.

Through workers' councils, new forms of power could be created. The workers' council targets to create a producer community as an alternative power model.

#### **6. Approaches in Evaluating Socialism**

Today, more people are looking for alternatives for humankind and being fed up with the catastrophes of capitalism.

Socialism can offer cooperative firm as an alternative to capital-owned business enterprises. Buheji (2018) sees that such model enterprises are more fit for being more resilient. With socialism, we could eliminate the rising unemployment of capital-driven approaches which allow the workers to manage firms such as their own SMEs, thus creating a system of cooperatives or democratically managed enterprises.

By understanding the socialism models possibilities, we can appreciate the radical distinction between the strategies of capitalistic firms and the cooperative idea. Socialism new models would thrive if more unions are established as tools for cutting the profits of capitalists. This would give more possibilities for the rise for cooperative business enterprises.

#### **7. Why Socialism Is Back?**

Due to the surge of unemployment caused by the introduction of machinery during the industrial revolution, the lifestyles of most people were changing dramatically, thus creating a need for solidarity and mutual aid as a shield against the competitive spirit.

Socialism came to address the human personality in general and the conduct of the producers which are shaped by the individualistic and the egoistic drives. The socio-economic impact that comes from solidarity and mutualism that are embedded in socialism characteristics outperform the socio-economy that comes from the capitalist enterprises.

Cassidy (2019) emphasised that old-style socialism that led by extensive government controls, along with punitive tax rates on the very rich, does not exist anymore. With the collapse of the Soviet Union, state socialism on the Eastern Bloc model had been discredited. China and India had both embarked on historic efforts to deregulate their economies and embrace global capitalism. In many Western countries, the parties of the center-left started to adopt more market-friendly policies.

Except for unique models of emerging economies countries as India and China, the pro-market tilt in capital economy countries, as UK and USA, experienced a failure in delivering the promised results consistently.

## 8. Socialism Models in the Future

In the last three decades, more social-democratic countries and communities' socialism downsized as a system of option. Over the intervening decades, steps towards a radically democratic transformation of society. The demands of society would continue in the future to be about public ownership and means of production, distribution, and communication. It is about introducing a profoundly new way of producing and living of much more profound engagement with socialism actual possibility.

More research for more socialism models in the future is expected for exploring the 'collective capacities' of such socio-economic possibility.

## 9. Uniqueness and the Limitations of this Book

This book introduces to the readers a New Model of Socialism, which focuses on the development of the model that led to the collapse of the Soviet Union. Bruno Jossa uses the fundamental theories of Marx and visualises it, in case it is applied to economic democracy in a modern setting. Jossa (2018) visualise if we move away from the centralised planning form of economic socialism towards a self-management system for firms that do not prioritise the interests of one class over another, we will achieve greater economic democracy. It is argued that the establishment of such a system of democratic economic firms would enable the governments to perform their ultimate function and serve better and more efficiently the public interest.

The limitation of the book is that it doesn't give enough practical guidance and examples for the possible transformation efforts towards to the proposed model. Therefore, the feasibility of a future socialist society would be still of concern to the readers, and therefore, they would stay with many queries that were not answered about the practicality of the new socialism model.

## 10. Recommendations & Conclusions

The book is recommended as an extra reference for MBA, besides academics with an interest in understanding the alternatives of capitalism and socialism models in the modern world. Indeed, it will also be of value to a library reference for researchers, scholars and educators seeking a viable and practical alternative to existing capitalist and socialist thinking.

The book carries many novel ideas which open doors for more in-depth future research in the integration of socialism with different economies.

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