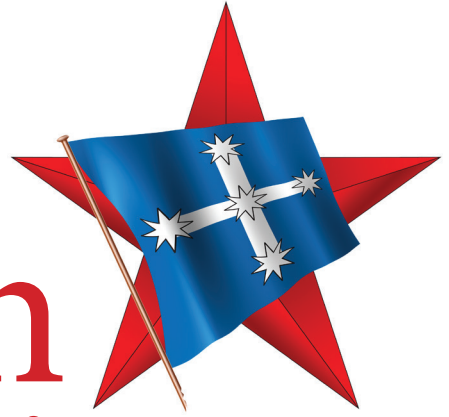


# Australian Communist



JOURNAL OF THE COMMUNIST PARTY OF AUSTRALIA (MARXIST-LENINIST)  
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Conditions are changing all the time, and to adapt one's thinking to the new conditions, one must study. Even those who have a better grasp of Marxism and are comparatively firm in their proletarian stand have to go on studying, have to absorb what is new and study new problems.

Speech at the Chinese Communist Party's National Conference on Propaganda Work (March 12, 1957)

It may seem contrary to Chairman Mao's directive in the quote above, but our first article is a reflection on Mao's influence on our Party in its early days. It is written for the benefit of our growing membership of young people who know that we are regarded by others on the Left as Maoists, and who welcome and embrace that description, but lack the history behind it.

Our founding Chairperson, Comrade E.F. (Ted) Hill was fortunate enough to have a series of continuing conversations with Chairman Mao. Hill knew that under his leadership, the new CPA (M-L) had to concern itself with the problems of the Australian people. It had to apply the anti-revisionist revolutionary principles of Marxism-Leninism to Australian conditions. It is instructive to remember in this respect that Hill's first substantial publication following the split focussed on trade unionism and parliamentarism. *Looking Backward: Looking Forward*, published in November 1964, traced the emergence of reformism and revisionism to the influence of these two ideologies and chartered a course for correct Communist work in the unions. In republishing the book in 2023, we acknowledged its continuing relevance to the question of how to organise amongst the workers in the new conditions where work has become more precarious and the old, large-scale concentrations of industrial workers have been destroyed by finance capital's globalisation.

Workers instinctively know that united they stand and divided they fall. Those who are interested in progressive politics, the politics of their class, just cannot understand why there are three communist parties and a plethora of other sects and grouplets. In his article on the importance of contemporary Marxism, Alan Jackson analyses the global Marxist-Leninist-Maoist movement and uses successful practice to make sense of who is genuine and who is not. This is a relatively new problem caused by differences in the M-L-M movement. The article also seeks to define those characteristics of our own Party that justify our self-description as a Marxist-Leninist Party.

The final contribution is the culmination of several months of internal discussion about who, in the current stage of capitalism and of apparent changes to its mode of production and to the changing composition of the working class, actually produces surplus value. Can we adapt our thinking to those new conditions? They are certainly new problems that require ongoing study.

Editors, May 2025





# Australian Communist Autumn 2025

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# The Contributions of Mao Zedong to Australian Communist theory and practice

Nick G.

Ever since the foundation of our Party on March 15, 1964, we have acknowledged the great practical and theoretical contributions of Mao Zedong to the body of work known as Marxism-Leninism.

Coming as it did at the time of a major division within the international Communist movement, the split that occurred in Australia to a great extent reflected the divergence between the Communist Party of the Soviet Union and the Communist Party of China. This is not to discount the internal Australian factors behind the split, such as attitudes towards the ALP, towards parliamentarism, towards work in the unions, and in the broader peace and women's movements.

Nevertheless, our Party in its emergence and growth, stressed the revolutionary essence of Mao Zedong's contributions, and relied heavily upon them in charting the way forward for revolution in Australia. Certainly, the meetings between our founding Chairperson, E.F.(Ted) Hill and Chairman Mao were a great encouragement to our work. Hill first met Mao as part of a delegation of Australian Communists to China in 1956, and had his first detailed conversation with him in 1963. Other meetings followed on a regular basis.

Mao Zedong's political and ideological line shaped our Party. We continue to draw strength from it. It has made lasting contributions to our work and our outlook.

Mao's most lasting contribution has been keeping alive the revolutionary essence of Communist work in Australia. Prior to the split in Australian Communism in 1964, there was a strong tendency for Communists to believe that only a peaceful winning of parliamentary office would bring about a socialist transformation, and that only a reform of imperialism through a widespread peace movement cooperating with capitalist governments and the centres of imperialist power, could avert the danger of war. Mao's great contribution in the 1960s was to



*"During July and August 1963, Comrades Ted and Joyce Hill travelled to China and met Chairman Mao."*

encourage Communists around the world to embrace the belief that the transfer of all the power of the state machinery from the bourgeoisie to the working class, an essential prerequisite for socialism, could only occur as a revolutionary seizure of power, and that imperialism and its danger of war could only be defeated by lifting the level of struggle against it, and not by cooperating with it.

Another lasting contribution has been Mao Zedong's confidence in the eventual success of proletarian struggle. This was expressed in various way, and Australian Communists embraced this revolutionary optimism.

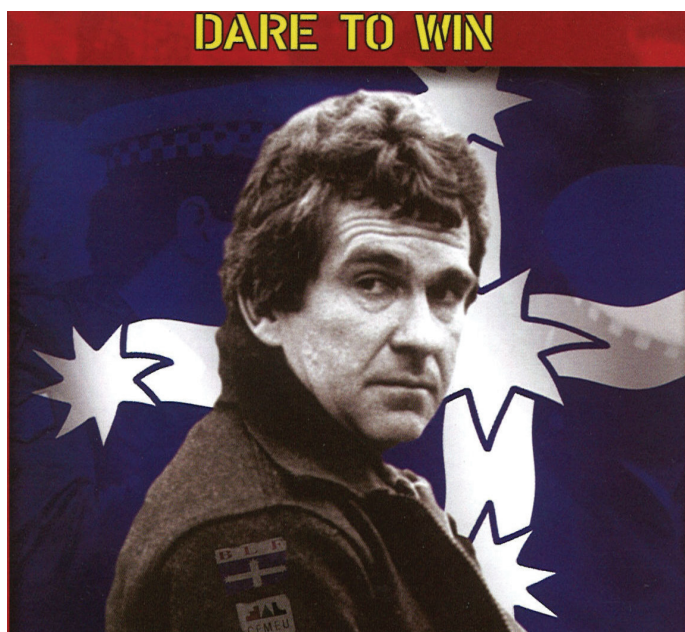
Mao's article "A Single Spark Can Start a Prairie Fire" expresses this optimism. So too does his encouragement for perseverance in "The Foolish Old Man Who Moved the Mountains".

On the eve of China's Liberation, Mao wrote: "Make trouble, fail, make trouble again, fail again . . . until their doom - that is the logic of the imperialists



and all reactionaries the world over in dealing with the people's cause and they will never go against this logic. This is a Marxist law. When we say "imperialism is ferocious", we mean that its nature will never change, that the imperialists will never lay down their butcher knives, that they will never become Buddhas, till their doom. Fight, fail, fight again, fail again, fight again . . . until their victory; that is the logic of the people, and they too will never go against this logic. This is another Marxist law. The Russian people's revolution followed this law, and so has the Chinese people's revolution."

But it was the phrase that provided the heading for Chapter 7 of "Quotations from Chairman Mao Zedong" that separated Australian revolutionaries from all sorts of reformists and revisionists within the ranks of the working class. For workers involved in day-to-day struggles against the capitalist class, the phrase "Dare to Struggle, Dare to Win" captured their confidence in their own strength and in their willingness to fight for victory.



*The name of Comrade John Cummins, BLF and CFMEU champion was synonymous with the Maoist slogan "Dare to struggle, Dare to win".*

This was understood by advanced workers to be a Maoist phrase, associated particularly with the leadership our Party gave to strong unions in which we had leading positions, and others in which our strength lay in rank and file organisation. It was an influential rejection within the working class

movement of the reformist approach embedded in class collaborationism. It defined the approach to anti-imperialist work and class struggle carried out by the largest and most revolutionary mass organisation of the late 60s and early 70s, the Worker-Student Alliance.

Another lasting contribution by Mao Zedong to Communists around the world was the ethical and moral foundation underlying the personal behaviour of Communists. Throughout the course of the Chinese revolution, Mao fought against the arrogance and elitism of some comrades who placed their own interests above those of the masses. "We must be modest and prudent," he wrote in 1945, "guard against arrogance and rashness, and serve the Chinese people heart and soul..."

Whereas armies of the past had rampaged over China, leaving destruction in their wake, Mao devised a series of simple rules and points for attention that would guide the Red Army, and then the PLA, in its relations with the people. From the earliest days of the Red Army, Mao Zedong required the soldiers to speak politely to the masses, pay fairly for all purchases and never impress people into forced labour or hit or swear at people. In the spring of 1928, when the Workers' and Peasants' Red Army was in the Jinggang Mountains, Mao Zedong set down Three Rules of Discipline: (1) Obey orders in your actions; (2) Don't take anything from the workers and peasants; and (3) Turn in all things taken from local bullies. These were further developed and took their final form in 1947 when they were reissued as the "Three Main Rules of Discipline and Eight Points for Attention".

In his articles "In Memory of Norman Bethune" and "Serve the People", he extolled the values of those who put their personal interests last in order to work for the liberation of all. During the Cultural Revolution, he combined the political and the personal and summarised the two in the phrase "Fight self, repudiate revisionism". From the earliest days of the revolution, in poor and remote rural areas, cadres were encouraged to undertake productive labour so as to remould the outlook which saw mental labour as more valuable and more rewarding than manual labour. Judging personal behaviour by its relation

to class struggle was part of the recommitment of Australian Communists to revolutionary struggle, and occurred under the influence of Mao's teachings.

Mao's philosophical writings were studied closely by Australian Communists. "On Practice", "On Contradiction", "On the Correct Handling of Contradictions Among the People", and "Where Do Correct Ideas Come From" stressed the primacy of practice over theory, and as a natural consequence, the importance of investigation over dogmatic assumptions about what "theory" insisted was a correct approach. This very much guided the writings of founding Chairperson Ted Hill who based the policies of our new Party on investigations of concrete circumstances in the social conditions of Australia. Hill investigated the particularity of contradiction in Australia and led us to search for and define the methods of revolutionary struggle that coincided with this particularity. Those methods were reflected in the politics, ideology and organisation of the new Marxist-Leninist Party.

"On Contradiction" was of great value for Australian Communists. It offered a clearer explanation of dialectical materialism than was previously available. It taught us that contradiction exists in all things, that everything has a dual nature, that this duality exists as a unity of opposites, that contradictions can be either antagonistic or non-antagonistic and that their resolution must be handled accordingly. The dialectical approach enables us to correctly identify the strategy and tactics for revolutionary struggle.

In addition to the above, Mao Zedong also advanced the theory of "one divides into two" in opposition to the theory of "two combines into one". A debate on which of these theories was correct emerged during 1964 and was further developed during the Cultural Revolution. The former approach corresponded to the unity of opposites and the universality of contradiction, the latter corresponded to revisionist denial of contradiction and the belief that antagonistic elements could be merged and their contradictoriness removed. This debate on China's philosophical front was studied by Australian Communists and helped our Party in local debates over reformist and parliamentary approaches favoured by the revisionists.

Consistent with the dialectical materialist theory of "one divides into two", Mao's theory of continuing the revolution under the dictatorship of the proletariat helped us to understand the polemics that engulfed the international communist movement including the later separation of the Albanian Party of Labour from the ranks of the Marxist-Leninists. This provided an alternative to the revisionism that had enabled capitalism to be restored in the Soviet Union, and was pushing Communist activity here prior to the split into our own acceptance of the permanence of capitalism. Mao's explanation of dialectics showed that a Communist Party in power could develop production and raise living standards without becoming a superpower or betraying its responsibilities towards proletarian internationalism.

Towards the mid-1970s, Mao revived an awareness of Marx's concept of bourgeois right (from Critique of the Gotha Program), and left to Communists everywhere the warning that under socialism, bourgeois right had to be restricted, and that its expansion led to the emergence of a bourgeoisie within the ruling Communist Party, a bourgeoisie that would fight to take the country off the socialist road and onto the capitalist road.

Continuing the revolution under the conditions of the dictatorship of the proletariat, ensuring that the working class exercises leadership in everything when it takes state power away from the capitalists, and restricting and not expanding bourgeois right, constitute important elements of the ideology that Mao Zedong gave to Communists beyond China's borders.

Just as earlier developments of Marxism-Leninism by Mao Zedong will always guide us in the development of the goals of our Australian revolutionary movement, so the developments in the understanding of the role of a Party in the post-revolutionary construction of state power will assist us to eventually build socialism on the ruins of capitalism in Australia.







# The importance of contemporary Marxism

*Alan Jackson*

We must understand that the struggle of revolution and the transformation of class society to a new and higher qualitative stage and mode of production, has and always will be, until class society has been abolished, a protracted struggle.

When we look at the rise and fall of the ancient Slave empires, their progression to Feudalism and regression back to Slavery, and when we study the protracted war of Capitalism against Feudalism on the world stage that still takes place today, we see that the struggle for a new historical stage of progress from one mode of production to the next, on the global scale, but also nationally, is always protracted.

When Capitalism was growing to become the global mode of production and the historical progressive movement and rupture from Feudalism it faced many setbacks and failures. The Bourgeois revolutionaries faced feudalist counter-revolution at every step. There was no jump from one mode of production to the next. This was a continued, protracted war that happened on the global scale and still happens today in some semi-feudal pockets of the world still fighting for liberation.

These wars and struggles that change the global mode of production and result in a world historical progressive change, can and have taken centuries. We must keep our steel tempered, knives sharpened and never be pessimistic about the current world historical situation. We can and must keep our revolutionary optimism in the face of our any and all circumstances as Communists despite the current progression of Socialism globally.

Kwame Ture (formerly Stokely Carmichael) was certain he or his children would see the revolution, Lenin was almost certain he would never see the revolution. We know now in a funny turn of events that they were both wrong, so think dialectically about it and be willing to plant the seeds for our children to prosper, but also be willing to pick up the gun and

put down the pen at any time, for such rapidity and motion is the nature of class society.

We know that the cause of Communism can have backward steps imposed upon it. The dissolution of the Soviet Union in 1991, after a protracted restoration of capitalism since the death of Stalin under suspicious circumstances in 1953, allowed the rhinestone communists, the Khrushchevite clique, to launch a coup against the Soviet Union and begin the counter-revolution and restoration of capitalism. Then there was the coup and subsequent counter-revolution and restoration of capitalism in the People's Republic of China that began with the death of Mao in 1976. In other countries and various revolutionary movements, revisionists have capitulated to exploiters, foreign aggressors and compradors, failing to secure political power through the barrel of a gun, and destroying any other "actually existing socialism". There is not currently one truly Communist party with state power in the world. This is not to lament or excuse our circumstances but to give us an understanding of the historical and material conditions of our current situation as communists and what we must, with great responsibility, put on our shoulders and address. This is to ask that with the death of 'actually existing socialism' where do we go for ideological and practical guidance? Which leads us to the importance of contemporary Marxist-Leninist-Maoism and what it means.

When we talk of contemporary Marxism-Leninism-Maoism or Communism it is important to understand who the contemporary communists are, as there are many parties and organisations that go by communist or socialist in name or advocate for it, but only in words and not in action.

For example, we are one of three Parties in our country that describe themselves as "Marxist-Leninist". On the question of the differences between ourselves and the other two parties, our view has been that so long as these differences are acknowledged, the parties

should seek to unite and work together in the service of the Australian working class. We can reserve our differences whilst seeking common ground.

However, the basic principles of Marxism-Leninism are not shared between our Parties. We believe ours is a genuine Marxist-Leninist Party and that the other two parties to varying degrees do not adhere to the following from which we derive our Marxism-Leninism:

1. What makes us a Marxist-Leninist party is that we base our ideology on the works of Marx, Engels, Lenin, Stalin and Mao Zedong, and that we have a body of work in the writings of Comrade Ted Hill that were the result of successfully applying Marxism-Leninism to Australian conditions.

2. What makes us a Marxist-Leninist party is that we reject revisionist claims that there can be a peaceful transition to socialism through parliament. As a consequence of that understanding, we would only enter parliament when we are strong enough, with the aim of exposing its bourgeois class character and showing the need for its replacement by a new working-class representative institution.

3. What makes us a Marxist-Leninist Party is that we recognised that capitalism was restored in the Soviet Union under the Khrushchevite clique and their successors, and in China under the Deng Xiaoping clique and their successors, and that in both cases these countries became social-imperialist (that is, that they continued to characterise themselves as socialist, whilst being imperialist in practice).

4. What makes us a Marxist-Leninist Party is that we recognise that Australia is dominated primarily by US imperialism, the core of monopoly capitalism, and that the struggle for anti-imperialist Australian independence is an inalienable component of the struggle for Australian socialism.

5. What makes us a Marxist-Leninist party is that we uphold the necessity for a new state machine that is a dictatorship of the proletariat in order to establish, protect and develop socialism.

6. What makes us a Marxist-Leninist party is that we accept that the ruling class will use violence against us when we begin to threaten their rule, and as a consequence we adopt organisational principles to assist our survival at crucial junctures, and will in future meet counter-revolutionary violence with revolutionary armed struggle.

7. What makes us a Marxist-Leninist party is that we practice the mass line, striving to learn from the people so as to lead them ideologically and politically as their vanguard of struggle without becoming adventurist and isolating ourselves from them.

8. We reject the revisionist view of the world of peaceful co-existence between imperialist powers – a multipolar world.

9. What makes us a Marxist-Leninist party is that we understand class division and the class struggle continues under Socialism and the Dictatorship of the Proletariat. The new Bourgeoisie will grow from within the new state machine, and we must combat capitalist counter-revolution at every step.

10. What makes us a Marxist-Leninist party is that we recognise that Australia is a settler-colony and that without decolonisation Australia will never truly become a socialist republic only a fascist dictatorship of the settler-colonists.

Revisionist parties don't understand that "political power flows from the barrel of a gun". They don't understand that when it comes to the struggle for socialism all that non-violent stuff is gonna get you killed.

How do we delineate and find for ourselves the 'real' communists. quite easily actually. We look for those dedicated to the struggle both theoretically but also principally, materially with success. Who are the Communists who have used the masses' class consciousness and material conditions to build revolutionary movements through mass work in developed capitalist countries, or engage in people's war when it is opportune? What is the line of the communists who are currently engaged in people's war? Why does their line best represent contemporary

Marxism and why is their line the most advanced?

Of course we believe that the Communist Party of Australia Marxist-Leninist is an example of a 'real' communist party and that we have the most advanced understanding of Australian conditions and have produced great insights from leaders like Ted Hill; but the most notable and world historical people's wars that have started since or continued during the death of actually existing socialism have been started by the Communist Party of Peru, the Communist Party of the Philippines and the Communist Party of India (Maoist). These parties are all linked by two things that I will focus on, they uphold Marxism-Leninism-Maoism, and they all partook in the Revolutionary Internationalist Movement. It was through the Revolutionary Internationalist Movement in the mid-80s that Marxism-Leninism-Maoism was put forward, and that Maoism was subsequently proclaimed by the Peruvians to be the newest and highest stage of Marxism-Leninism. This view was shared by Parties engaged in the ongoing people's wars in the Philippines and India as well as other struggles globally.

Both RIM and the Peruvian Party suffered massive setbacks. RIM fell apart over ideological differences centred around the now 'post-Maoist' and cultish leader of the Revolutionary Communist Party of the USA, Bob Avakian. The leader of the Peruvian party, Comrade Gonzalo, was captured and imprisoned but also advocated policies that were capitulatory and out of step with the Peruvian and world revolutionary movements. As a result, the Communist Party of Peru almost completely collapsed and its strategy of people's war defeated.

Some of Gonzalo's followers among the remnants of the Peruvian party and today globally, not content with their "Marxism-Leninism-Maoism", feel obliged to add "principally Maoist" to their party's name, and its ideology, so we have "Marxism-Leninism-Maoism, principally Maoism." More recently, the Peru Communist Party, through its external arm, the Peru People's Movement, has taken this a step further: "...we reiterate our greetings and reaffirm our full and unconditional subjection to our all-powerful ideology Marxism-Leninism-Maoism, Gonzalo Thought, principally Gonzalo Thought..."<sup>1</sup> Gonzaloism or

'Principally Maoism' continues to be a revisionist and harmful distortion of Marxism that shows itself most notably in the imperial core and Brazil. Notably this is the 'Maoism' of the International Communist League (Maoist).

Some people, notably Canadian academic J. Moufawad-Paul believed that the politics of RIM and Gonzalo were so effective that it warranted a rupture from Marxism-Leninism-Mao-Zedong-Thought and its continuity to Marxism-Leninism-Maoism. Through the RIM its members had come to see the qualitative change that had taken place on the world scale and had accepted Maoism as the new highest stage of Marxism. Two parties in particular that were already engaged in people's war would also see this rupture as necessity. These two parties are the Communist Party of the Philippines and The Communist Party of India (Maoist). Both, however, like us, have rejected Gonzaloism.

For our part, we would like to think that our Party, established in 1964 in the fight against Khrushchevite revisionism, might be an exception to the "rupture-continuity" dialectic of Moufawad-Paul. In any case, and in order to clarify our ideological line, our 2024 16th Program declared that we are guided by Marxism-Leninism-Maoism.

While most current revisionist "Marxist-Leninist" parties with some exceptions are upholding China as the bastion of the global proletariat revolution, our comrades in the Philippines are engaged in people's war against a dictatorship that is being aided and abetted by China. While China participates in the exploitation of the Philippines natural resources at the expense of its semi-feudal population, it's our comrades in the Philippines that stand up and sabotage the equipment of the enemy. This is not all though, they have also established liberated red base areas where they can practice revolutionary committees and establish people's power in various forms, despite its difficult circumstances. It is only in these liberated areas that gay marriage is recognised and can be practiced in the Philippines. When we see many revisionist parties point to Kerala and the Communist Party of India (Marxist) as true revolutionaries and not opportunists and class collaborators, we see the Communist Part of

India (Maoist) also sabotaging fascist state weaponry and infrastructure as well as liberating red base areas and establishing people's power. These liberation struggles are of immense importance and popularity to the Indigenous population of both countries and play a principal part in their defence against the fascist dictatorships.

It is principally successful practice that decides the importance of contemporary Marxism and determines its form. its ability to change the material conditions, to make action and to make revolution is what determines its significance.

When we analyse the many trajectories of contemporary Marxism, we must focus our attention on those Marxists who are progressing, who are struggling for the people. It is quite clear the most valuable form of Marxism today is that which can be found within the people's wars of today. It is also the form that gives the most lucidity to contemporary politics and society. This form is Marxism-Leninism-Maoism and if we want to see it in practice we can look, but we must not be content with looking - we must bring it home and shape it to our conditions, to the conditions of a developing revolutionary movement in a developed and industrialised capitalist country dominated by US imperialism.

As Marx said, "Philosophers have hitherto only interpreted the world in various ways; the point, however, is to change it." and changing the world is exactly what our comrades are doing. We have a world to win.

<sup>1</sup> MPP – LONG LIVE THE 42ND ANNIVERSARY OF THE PEOPLE'S WAR! – Communist International (ci-ic.org)

# The service industries - who creates surplus value

(We acknowledge the valuable feedback on the first draft of this article received from Australia's Marxist historian Humphrey McQueen.)

*"A commodity is, in the first place, an object outside us, a thing that by its properties satisfies human wants of some sort or another. The nature of such wants, whether, for instance, they spring from the stomach or from fancy, makes no difference." (Karl Marx, Capital, Vol 1, p.1)*

Several insertions to our General Program adopted by the 16<sup>th</sup> Congress in 2024 merit attention and have been the focus of collective study and discussion.

After a paragraph in section 3 Capitalism, explaining Marx's identification of surplus value as the source of profit, we added these new paragraphs:

Other groups of workers not directly engaged in the production of commodities incorporating surplus value include publicly-employed educators, aged and health care and welfare workers, and others like them. If the provision of the service is for a company that is privately owned, then the service is sold as a commodity and has surplus value embedded in it. Workers in non-profit, state-run employment create services of value to both private industry and the public at large, but they do not directly create surplus value embedded in a commodity. Their mental and physical exertions contribute to the functioning of society and, by extension, to the conditions that allow the capitalist system to operate. The greater numbers of workers now employed by the state in service sectors requires further investigation from the viewpoint of political economy.

Similarly, the background labour necessary to sustain the current generation of workers and to produce the next one includes the birthing and raising of children, caring for elders and

others with high needs, domestic housework, community building, volunteering and the emotional labour required to maintain social bonds. In other words, labour which sustains life and culture itself.

This labour is usually, but by no means always, performed by women. It does not produce surplus value when performed by a woman for herself or for her own family, but without it the capitalist class would not be able to continually accumulate capital.

When produced as a commodity in the private service industries in places like aged care facilities and childcare, or for commercial companies contracted to provide household cooking or cleaning, it is generally low paid and does produce surplus value.

The latter paragraphs were complemented by an expanded Section 13 Women and capitalism where we observe that:

The era of financialised and globalised capitalism, of turbo-charged imperialism, has seen Australian women recruited into the workforce in very high numbers, perhaps not seen since the mass-exploitation of women and children in the mills and factories of 19th Century capitalism and before the advent of the post-war housewife. This has brought significant benefits to working class women both individually and for women's liberation at large. A wage-earning working class woman has greater potential for economic independence within the dominant patriarchal structures of the family and society. In addition to their involvement in class struggle at the forefront of social reproduction struggles in health, education, community and environment, it has brought working class women directly into the class struggle at the point of production.



## Official stats make definitions of service and non-service sectors difficult

The nature of workplace statistics used by the Australian Bureau of Statistics makes it difficult to identify an accurate starting point for a discussion of the services sector of the economy. There is some overlap between the recognised categories, and no breakdown within the service sectors of those who are employed by corporations as against those employed by governments.

The ten non-services categories comprise those in which surplus value is created or realised as profit for the capitalist. They are Agriculture; Forestry and Fishing; Mining; Manufacturing; Construction; Electricity, Gas, Water and Waste Services; Wholesale Trade; Retail Trade; Transport, Postal and Warehousing; and Information Media and Telecommunications. Postal is, for the moment, a publicly-owned state monopoly service although its parcels delivery service is facing stiff competition from privately-owned parcels delivery services. Most suppliers of electricity, water, gas and waste services are corporately-owned and selling a commodity rather than a service.

That leaves ten categories of service sector employment including Accommodation and Food Services; Financial and Insurance Services; Rental, Hiring and Real Estate Services; Professional, Scientific and Technical Services; Administrative and Support

Services; Public Administration and Safety; Education and Training; Health Care and Social Assistance; Arts and Recreation Services; and Other Services. Some of these are **corporate** providers and others public providers.

The services sector grew after World War2 when the so-called “welfare state” was created as capitalism’s defence against the appeal of the Soviet Union’s socialism. It was further promoted when imperialist finance capital required the sale of government-owned services to big corporations so as to expand services as vehicles for speculation and profit.

Based on 2023 ABS figures, and keeping in mind the difficulties in accurately defining these categories of employment, the non-services sector comprised 5,404,300 workers, or 39.3% of the workforce while the services sector comprised 8,328,400 workers or 60.4% of the workforce.

Both sectors reflect gender-based assumptions and the historical legacy of the roles of men and women. The two largest areas of employment in each sector confirm these gender-defined roles, although both are changing, with more women entering construction as tradies, architects, building supervisors, quantity surveyors and the like and more men entering health care as nurses, para-professionals and carers.

Industry	Men	Women	Persons	% Men	% Women	% Workforce
Construction	1,099,800	171,700	1,271,500	86.5	13.5	9.2
Health Care and Social Assistance	497,700	1,579,000	2,076,700	24	76	15.1

There are a number of other workforce variables that are required for a full understanding of this complex set of circumstances, including migrant workers and temporary visa holders in the workforce, regional and city comparisons, permanent and precarious employment, and unionised and non-unionised workers.

## Can a service be a commodity?

In such a heavily services-based economy, who actually produces surplus value, and who constitutes the industrial proletariat? Are workers other than proletarians in manufacturing, agriculture, construction, mining and transport a part of the working class or part of the petty-bourgeoisie? How do changes in the composition of the workforce change our priorities for mass work? Where does reproductive labour – still performed mainly by women – fit into our understanding of political economy?

Anyone reading Part 1 “Commodities and Money” in Volume 1 of *Capital* would probably believe that a commodity is a physical thing, for despite Marx’s initial inclusion of “things of fancy”, Marx commonly speaks of commodities as material things (p. 47).<sup>1</sup>

Although there were services in his day, there was nothing like the privatised service industries that are so common in our day. For the most part, they were the domestic services provided to the bourgeoisie by menial servants and outside of the capitalist relations of production. They were not commodities created by labour power expended for the growth of capital. They were services paid for out of the capitalist’s own pocket, out of his personal revenue, and consumed at the moment of their production. They did not add to the growth of his capital, but diminished the size of his purse. Hence, he also puts the services of important people like state officials, military people, artists, doctors, priests, and judges in inverted commas as “immaterial” commodities in *Theories of Surplus Value* Part 1 p. 170, for their services are paid for out of state and personal revenues, and not directly by capital and don’t exist as real commodities. The relations of production inherent in their services do not have the social form of capitalist production.

So, throughout *Capital*, commodities are often taken (but not exclusively so) as material objects, as tangible articles, meaning that they can be felt through the sense of touch, as real items whose existences lives beyond the completion of their production. Any

privileging of material commodities over non-tangible commodities, is wrong.

We note in passing that in early capitalism, in addition to domestic staff in the service of capitalists’ households, almost no household could function without a domestic, often an elder child or unmarried relative. But these were generally unpaid personal services, or services provided in exchange for food and lodging, and lasted until the universal availability of washing machines and dry-cleaning. Yesterday’s domestics today work in factories mass-producing clothes and plastic-wrapped ready-to-eat meals, or in fast food outlets.

Although plenty of economists in Marx’s time discussed surplus value and profit as features of the developing capitalist economies, Marx was the first to point out that a commodity in the capitalist mode of production was not the result of labour alone, but more accurately of labour-power, or the capacity of human labour to produce more than its own value. The additional value it produces over and above the price of labour-power (also a commodity) is surplus-value taken by the capitalist by not paying the employee for the full amount of value he or she imparts to the product of labour. This unpaid labour (concealed behind the apparent payment of a wage for a full day’s work) is the source of profit when the commodity is sold in the market.

Because services do not have a tangible nature, those that exist in the expanded private section of the modern capitalist economy are sometimes not recognised as commodities, are not seen as creating surplus value, and those employed to provide those services as not a part of the traditional working class. This view was challenged by the late Harry Braverman (1920-1976) in his book *Labor and Monopoly Capital: The Degradation of Work in the Twentieth Century*, published in 1974 by the Monthly Review Press. Braverman’s book was important in applying Marx’s analysis to the contemporary economy in which services had become privatised and commodified. Braverman writes of workers in the service industries:

<sup>1</sup> Note that all page numbers for *Capital* and for *Theories of Surplus Value* refer to the Foreign Languages Publishing House, Moscow, editions.



“When the worker does not offer his labor directly to the user of its effects, but instead sells it to a capitalist, who re-sells it on the commodity market, then we have the capitalist form of production in the field of services” (p. 360).

Further on, Braverman writes “...the existence of a working class as such does not depend upon the various concrete forms of labor which it is called upon to exercise, but rather its social form. Labor which is put to work in the production of goods is not thereby sharply divided from labor applied to the production of services, since both are forms of the production of commodities, and of production on a capitalist basis, the object of which is the production not only of value-in-exchange but of surplus value for the capitalist” (p. 410).

Thus, a service can be a commodity if it is created for capital by labour-power, whether primarily physical or primarily intellectual, whether tangible or intangible. Such a service does create surplus-value. The same service, created out of revenue in the form of fees and charges, taxation, public donations of funds, is not a commodity even though it is vendible (saleable) and replaces or even increases the revenue from which it is sourced.

### **Productive or unproductive?**

Contemporary value systems equate productive labour as something inherently worthwhile, the opposite being true for unproductive, ie wasteful, pointless, labour.

Economists up to Ricardo (1772-1823) debated these terms in relation to their capacity to add to the wealth of nations, to the profits of capitalists. Thus, the production of a commodity was productive while the provision of a personal service outside of capitalist relations of production was unproductive. One resulted in the growth of capital; the other diminished one's revenue.

There is a lengthy section in Part 1 of *Theories of Surplus Value* in which Marx looks at what is right and wrong in Adam Smith's analysis of surplus-value. The section is around 150 pages long, but if you have

the Moscow edition, you only really need to look at the first part, from p.148 to p.172. The rest is Marx's criticism of a number of economists who disagreed with Smith.

Marx defined productive labour as labour-power paid out of capital to create a vendible commodity which includes surplus-value. Unproductive labour is labour, not labour-power, paid out of revenue to create a service. Beyond that, he did not compare them in terms of their worthiness.

Suppose I get a puncture in my tyre. I have four options. I can try and fix it myself. My work on it expends labour, but it is a private expenditure and is not labour power. My service is to myself and is consumed by me as it is performed.

I can get a friend who lives across the road, and who knows about these things, to fix it for me. Even if his labour gets him the reward of a slab of beer from me, it is a payment out of my revenue, and not a payment out of capital for a service that has been purchased from an owner of those services. My friend owns his service. Nobody else does.

I can also ring the RAA (in SA, the NRMA and others elsewhere). The person from the RAA fixes my puncture and is rewarded for doing so by the wage paid by the RAA. The RAA uses its revenue (membership fees paid by me and other members) to create a fund from which to pay for its employee's labour. That labour provides me with a service, but does not include an unpaid portion of labour-power that would otherwise contribute surplus-value to the employer, the RAA. The RAA does not exist as private capital seeking its own expansion.

My fourth option is to take my car with its punctured tyre to a global corporate company like Bridgestone. It also offers me a service in return for a payment. Its employee expends labour-power on my tyre because his service is a commodity owned by Bridgestone and that labour-power creates more value than its own, and my payment realises that surplus-value which contributes to the profits of the company.

## Sausages, phone sex and care for the aged.

Our study group spent some time evaluating the following comment made by Marx in Chapter 16 of the 1st volume of Capital:

Capitalist production is not merely the production of commodities, it is essentially the production of surplus-value. The labourer produces, not for himself, but for capital. It no longer suffices, therefore, that he should simply produce. He must produce surplus-value. That labourer alone is productive, who produces surplus-value for the capitalist, and thus works for the self-expansion of capital. If we may take an example from outside the sphere of production of material objects, a schoolmaster is a productive labourer when, in addition to belabouring the heads of his scholars, he works like a horse to enrich the school proprietor. That the latter has laid out his capital in a teaching factory, instead of in a sausage factory, does not alter the relation. Hence the notion of a productive labourer implies not merely a relation between work and useful effect, between labourer and product of labour, but also a specific, social relation of production, a relation that has sprung up historically and stamps the labourer as the direct means of creating surplus-value.

We can recognise in this that Marx is acknowledging the existence of a service - the classroom work of a

teacher - as a commodity. That is, an intangible thing becomes a commodity when it is in the service of capital.

But it does raise the question of whether the teacher in a private school is a part of the proletariat if what is being produced is surplus-value.

The critical thing in this passage by Marx is that the school is a privately-owned educational institution. It is not funded by the state or by fees (although it may indeed receive some of each), but primarily by private capital. Marx is correct to equate it with a sausage factory. Its service is a commodity designed to enlarge the capital of its owner. It is not wrapped in butcher's paper, but in a report card.

Such privately-owned schools existed in the early days of Australia, but are rarely found today. We have private schools, but they are generally funded by churches out of revenue (fees, bequests, donations and a hefty gift of funding from state and federal government). "Private" here refers to their non-governmental functioning and their associated ability to exclude those they don't want.

St Peter's College is the pre-eminent elite private school in my state of South Australia. It is run by the Church of England for which there is a voluntary Foundation Board of 14 persons, including a Treasurer and Executive Officer. The foundation has some investments and investment properties which provide capital gains, but most funding is what Marx called in Theories of Surplus Value Pt 1, revenue.

Here is their income for the two years 2022 and 2023:

St Peter's College Foundation Inc			
STATEMENT OF FINANCIAL PERFORMANCE AND OTHER COMPREHENSIVE INCOME			
FOR THE YEAR ENDED 31 DECEMBER 2023			
	2023	2022	
	\$	\$	
<b>INCOME</b>			
Bequests / Grants	117,230	123,323	
Donations – Annual Giving	468,801	840,088	
Donations – Voluntary Building Fund	67,519	69,548	
Interest	46,158	7,953	
Investment Income	167,840	418,185	
Other Income	54,188	36,604	
Branch Income	169,673	140,115	
<b>TOTAL INCOME</b>	<b>1,091,410</b>	<b>1,635,816</b>	

Its investment income is revenue from its share of surplus value, rather than private capital exchanged for labour-power. Like most schools, it can be compared to a sausage factory, but not in the sense of it being a privately-owned business in which surplus value is created and appropriated by an owner (individual, group or consortium) of capital.

In addition to the revenue above, it has funding from both levels of government, and from parent fees, as was the case in 2023:

Net recurrent income	\$ Total	\$ per student
Australian government recurrent funding	7,852,413	5,159
State / territory government recurring funding	2,215,095	1,455
Fees, charges and parent contributions	37,036,709	24,334
Other private sources	7,409,659	4,868
<b>Total gross income</b>	<b>54,513,876</b>	<b>35,817</b>
Less deductions	7,364,614	4,839
<b>Total net recurrent income</b>	<b>47,149,262</b>	<b>30,978</b>

Again, these funds are revenue, not capital.

The same is true of most private schools. Their preferred school type is “independent” not “private”, for they are independent of the government in their daily operation, although dependent on it for much of their funding and for the training of teachers. In terms of ownership and the social form of the relations of production, it is probably a more accurate term.

If a school was established by private capital as a profit-making venture, then the labour-power of its education worker employees, expended mainly as intellectual labour or brain-power, would have the social form of capitalist relations of production. The expenditure of their labour-power would be for the purpose of creating surplus-value for their capitalist employer. There are some examples of this in Australia in the tertiary sector, and yes, objectively those academics are engaged as proletarians although subjectively they would no more enjoy that thought than those state officials, military people and others referred to by Marx above who “found it not at all pleasant to be relegated economically to the same class as clowns and menial servants...”

Marx’s sausage factory analogy is possible because he was referring to a private school as a capitalist enterprise. If a teacher were employed in such an enterprise, then his/her intellectual labour or brain-power would be similar to that of the weavers and tailors of whom Marx spoke on p. 44 of Capital Vol 1:

Productive activity, if we leave out of sight its special form, viz., the useful character of the labour, is nothing but the expenditure of human labour-power. Tailoring and weaving, though qualitatively different productive activities, are each a productive expenditure of human brains, nerves, and muscles, and in this sense are human labour. They are but two different modes of expending human labour-power.

Most teachers in both the independent and state schooling sectors would agree that their conditions of employment and social status have declined in the last half a century. Teachers in government schools have been subjected to unrelenting attacks now for 50 years. The teaching profession has been de-professionalised and many teachers regard themselves as working people although, if they were familiar with the term, probably not as proletarians.



Probably the answer to the question of whether an academic in a private for-profit educational institution is a proletarian or not is to distinguish between industrial proletarians as the makers of tangible commodities, and brain-power or intellectual proletarians where the commodity is an intangible service. In the much more exploitative circumstance of Chinese telemarketing and gaming companies (where the workers have 9-9-6 employment, ie from 9am to 9pm 6 days a week, and are required, in addition to work unpaid overtime hours<sup>2</sup>), our Chinese comrades call those who labour intellectually the 脑力无产者 (nàolì wúchânzhě) - literally “brain-power proletarians”.

Phone sex was discussed. We regarded it as a commodity if it is supplied via a sex worker employed by an individual or an entity who advances capital in exchange for the time expended by the sex worker. If, on the other hand, the sex worker is a seventeen-year-old boy with a mobile phone and a social media profile, perhaps on the dark web, who is an independent operator, then the time he puts in on servicing a client is labour, not labour-power. The employed sex worker is engaging in productive labour, the self-employed individual is not. The employed sex worker is creating surplus-value, the 17-year old is not.

Aged care was raised as an example of a service industry where employees are often exploited, in the sense of poorly remunerated, (ie, paid less than, or barely above, the socially-necessary cost of reproducing their own labour-power), to a much greater degree than many of those involved in manufacturing, mining or construction. The observation was made that there is little doubt that this is because aged care workers are often seen as supporting those who are no longer contributors to the production of surplus-value and profits. It has also traditionally been a feminised occupation and therefore unworthy of being valued and paid accordingly. It is seen as economically unproductive.

The aged care sector is a real mixed bag. The sector contains large private for-profit operators, so-called

not for profit operators like Anglicare and a small number of state government operated aged care facilities often attached to country hospitals. The state government ones are funded by the state governments. The others come under federal government funding. The wages and salaries of the primary carers (nurses and personal care workers) come from federal government funding. The private for profit and so-called not for profit owners receive an amount of funding based on the care needs of residents as a whole in a particular aged care facility. This federal government money is meant to be used for the wages and salaries of these workers alone, even though the “employer” is the private owner. In theory, the private owners take the risk of losing their license as an aged care provider if they are caught siphoning off federal government money designed for workers’ wages. However private owners take the risk and the whole system of aged care is so dependent on private for-profit providers now that the penalty is often a rap over the knuckles with a feather duster.

The wages of the kitchen staff, cleaner, handy person and gardener comes out of another pot of money. This pot includes some federal government funding but also from the money paid by the residents as a condition of them becoming a resident of the aged care “home”.

(In the aged care facilities for those not on a full pension, the aged care private providers require bonds to be paid. These are usually to be paid up front, some bonds run into the hundreds of thousands of dollars and the interest on this accumulation of funds goes to the owners’ BMWs or Mercedes Benzs or is siphoned off into one of the owner’s other businesses.)

However, most aged care services are offered by private companies which advance capital, the source of some of which is government funding, for the purchase of the labour-power of their employees for the purpose of increasing the value of that capital. In the process, they turn the revenue from the charges they levy for their service into capital and operate under capitalist relations of production. This is an example of the

<sup>2</sup> See: [ChineseSocietySurveyResearch-Phase-1-2020-12-EnglishComplete-OCR.pdf](https://www.bannedthought.net/ChineseSocietySurveyResearch-Phase-1-2020-12-EnglishComplete-OCR.pdf) (bannedthought.net)



subsuming of services under capital which Marx referred to in passing on p. 162 of TSV:

If therefore on the one hand a part of the so-called unproductive labour embodies itself in material use-values which might just as well be commodities (vendible commodities), so on the other hand a part of the services in the strict sense which assume no objective form—which do not receive an existence as things separate from those performing the services, and do not enter into a commodity as a component part of its value—may be bought with capital (by the immediate purchaser of the labour), may replace their own wages and yield a profit for him. In short, the production of these services can be in part subsumed under capital, just as a part of the labour which embodies itself in useful things is bought directly by revenue and is not subsumed under capitalist production.

Just as the worker employed to produce a material commodity in a manufacturing industry, so the worker employed to produce an intangible commodity in a service industry must be subjected to the discipline of labour-time. Human services are harder to standardise, or mechanise than the production of hypersonic missiles or chocolate bars. In the 1950s, William Baumol<sup>3</sup> identified how hard it was to measure productivity in libraries because of the large amounts of variable capital in the mix. There are no universal labour-times for helping readers and the same applies to services in other areas including health and hospitality.

Even so, capitalists seek to impose universal labour-times on services sector workers. Medicare payments are billed at the rate of seven minutes per consultation. Even though the service might be intangible, it still has exchange-value, which can be quantified in terms of price. In the service sector, surplus-value arises from surplus labour-time just as it does in manufacturing. Workers are paid for a portion of their time that corresponds to the value of their labour-power (wages), but they often work beyond that to

generate profits for the owner. For example, a software developer or call centre worker might work an eight-hour day, but the value they produce for their employer exceeds what they are paid in wages. Then there is the pressure to work beyond paid hours. Unpaid overtime extends the surplus labour-time and the production of surplus-value at no cost to the capitalist.

Thus, in service industries, the extraction of surplus-value often involves intensifying labour through metrics like speed, efficiency, or productivity. For instance, retail workers may be required to serve more customers per hour, call centre employees may be expected to handle more calls, and healthcare workers may face pressure to see more patients in less time. The direct care workers (nurses and personal care workers) are more like directly employed federal government workers providing a service, whereas the cleaner, the handyperson, the gardener and the kitchen/food services workers are more like workers on a production line subject to speed ups (“how many meals can you put on a tray in 5 minutes? What only 4? The industrial engineering standard is 8! If you don’t improve, you’ll face disciplinary action”), cuts to hours and staffing levels to make more profit for the owner from the non-carer services provided in the aged care “home”.

The more value a worker produces in a given time, the more surplus-value the employer can extract.

So, what of the employee, for example, of a consultancy firm on a wage to undertake intellectual activities focussed on improvements in efficiency for either government-owned or corporately-owned companies? What does this mean in terms of the creation of surplus-value?

From the company purchasing consultancy, the consultancy company will receive a payment for the service that covers both the wage of the consultant (exchange-value for the labour-power in that particular transaction) and an additional amount, a portion of which will be taken by the company’s owners (profit).

<sup>3</sup> See: William Baumol, whose famous economic theory explains the modern world, has died | Vox

The employee, again, can be categorised as a “brain-power proletarian”. He or she knows that they are being paid to come up with ideas as opposed to something that can be placed on scales and weighed. What then is their value? They obviously have a use-value or they would not have been purchased, and an exchange-value based on the average price for such services and incorporating payment for the expenditure of intellectual labour-power, which covers the wages of the employee, and an additional amount realised as surplus-value by the employer, the consultancy firm.

Why is the purchasing company willing to pay for this external service (assuming that it has to be paid for one way or another if the company is to continue to be relevant and retain its competitiveness). One answer to this is because it is far cheaper to pay for the service for a short period of time than to permanently employ staff with these skills (to pay for the labour-power associated with these skills and the associated ongoing internal costs). And this is also why the purchaser is willing to pay an amount that exceeds the costs associated with the maintenance of that labour-power in the form of a profit accrued by the owners of the consultancy.

Even in the circumstances just described, the brain-power labour is more often than not performed as social-labour. It is no exaggeration to say that the days of individual wage-slaves independently producing any kind of value are long gone. Now it is almost universally the case that intangible commodities are as much the product of social-labour as material commodities. Nowadays, when high-level scientific research is conducted, or brainstorming for ideas in a consultancy firm takes place, it is usually carried out using teams. This is not at all surprising. This is precisely an inevitable result of the development of the productive forces of society, of society as a whole. A question was also asked about sub-contractors in the building and construction industry. Their use is widespread. It was noted that they own their own tools (means of production) and could therefore be said to be petty-bourgeois, although they often find themselves in working conditions that are unprotected by the union, and are subject to significant cash flow problems.

However, they only own a small part of the means of production on which their labour-power is expended - the rest is owned by the master builder or main contractor by whom they are “contracted” to do their work. In so far as their “independently contracted” work is paid for by the capital of the master builder or main contractor, they are expending labour-power, and not just labour, and the surplus-value they create is appropriated by that builder or main contractor.

Leaving aside for the moment legitimate sub-contractors or workers running their own small business, the building industry was rife with attempts by employers to use sham sub-contracting arrangements to reduce their expenditure on variable capital (workers’ wages) and increase the surplus-value from the labour-power of the “subbies”. The construction industry union was correct to require such subbies to take out union membership, and won many cases against rogue employers who underpaid their subbies. Forced by employers to hold an ABN number in one hand, and by the union to hold a membership card in the other, some subbies had conflicting loyalties and even sometimes held reactionary views. However, the reality of their existence was brought home to everyone when the WA branch of the CFMEU won a 2022 High Court case, with no help from the Fair Work Ombudsman, against labour hire company Construct who required a worker to work under an ABN for 25% less pay on two Hanssen sites. The High Court ruled that in reality, the “sub-contractor with an ABN” was an employee of the labour hire company and not an independent contractor.

Such subbies are objectively members of the working class. They are allies of the unionised construction workforce, and ownership of their own tools and an ABN number cannot conceal their place in the relations of production under capitalism.

And it is not just a phenomenon confined to construction. There was an explosion of sham contracting aided by the rapid growth in gig and platform work throughout the pandemic. An ACTU report from May 2023 found that the number of workers on sham or “dependent” contracting is at record highs, and now outnumbers genuinely independent contractors for the first time.

The ACTU found that workers on sham or dependent contracting arrangements earn \$242.80 less per week than genuine independent contractors, measured on a median basis. Over a year, this is a pay gap of \$12,644. This research comes on top of a wide range of evidence about corporate tactics to deny workers' pay and conditions. For example, gig workers lose up to \$400 million per year in super because they are not classified as employees, according to Industry Super Australia. And 45% of transport workers in the gig economy report being paid less than the minimum wage, according to the Transport Workers Union.

All sham contracting arrangements are products of capitalists seeking to evade the payment of variable capital, or wages, and help themselves to more of the capital created by the expenditure of workers' labour-power.

### **The reproduction of production**

Just as capitalism carries out a continually destructive war on nature in order to satisfy its requirement for the constant replenishment of the raw materials needed for expanded production, so it has imposed a socially destructive role on women in order to satisfy its requirement for the constant replenishment of labour-power required for its expansion of capital.

Women have not always been oppressed by men. Indeed, there have been examples of societies that were matriarchal and not patriarchal. Chinese characters have a recorded history (inscribed on animal bones used in divination) of over 3000 years. The character that was created to express the idea of one's family name was made up of two other characters: for woman, and 生, to be born. They were put together as 姓, meaning surname or family name. The paternity of a child was not necessarily known, but its mother was.

The Mosuo clan of the Naxi national minority in China's Yunnan Province are still matriarchal. Women play a dominant and primary role in leadership, control of property, and social privilege.

Mosuo women are highly regarded for their motherhood, a regard which is passed down through

the female line, giving the female lineage final decision on rights, responsibilities, and distribution within the family. There is no marriage in the modern sense, partners live apart, with the men visiting the woman, and returning to their mother's house, although there is now a growing tendency towards cohabitation. Children take their mother's last name.

There are very few matriarchal societies left in the world. Hunter-gatherer societies often prescribed separate roles for men and women based on men's hunting and women's gathering and child-rearing, but responsibilities and rituals associated with "women's business" were accepted and choices of marriage partners often based on moieties designed to prevent inbreeding. Patriarchies which subordinated women to men generally arose when crop cultivation produced surpluses that men monopolised in the place of women whose social leadership was consumed for periods of time by child-raising.

The overthrow of these early matriarchies occurred more or less contemporaneously with the emergence of class society. In some societies and some cultures men practised polygamy, but the form of the family most suited to reproduction and to rights of inheritance that emerged under ancient slavery and feudalism, and then capitalism, was that which first appeared with the disappearance of matriarchy, namely the nuclear family. The patriarchal nuclear family has survived and been venerated by the ideologists of capitalism because it is the form of family best suited to the reproduction and raising of new sources of labour-power. If the natural birth-rate declines, as it has in advanced capitalist countries, there is always recourse to immigration and to temporary work visas, but they are at best minor supplements to the raising of children in a nuclear family arrangement. This is also why many advanced capitalist countries have legalised (after mass struggles to achieve this right) the marriages of gay couples and their right to raise children through surrogacy and adoption.

Capitalism has not freed women from the patriarchal system. There is an ongoing tension between wanting women in the workforce for their labour-power, and wanting them to raise children and "look after the home". A small number of men try to contribute to

housework, and a growing number of men have access to paid paternity leave which can free women for an earlier return to paid work, but the requirement of the capitalist mode of production for unpaid domestic labour still falls mainly on the woman.

Some left-wing feminists have tried to elevate the importance of domestic labour, of its reproduction for capitalism of new labour-power, by claiming that it is productive work and creates surplus-value. This was the view, for example, of the Italian feminist Mariarosa Dalla Costa who can be credited with popularising the redefinition of housework as reproductive labour necessary to the functioning of capital, rendered invisible by its removal from the wage-relation.

However, her views were challenged by Lise Vogel's 1983 *Marxism and the Oppression of Women*. Toward a unitary theory which correctly characterised domestic labour as having a use-value, but not an exchange-value, and therefore not creating surplus-value.

That does not, however, diminish the importance to capitalism of women's unpaid reproductive labour. It is a necessary facilitator and enabler of the continuing creation of surplus-value, of the self-expansion of capital, upon which the whole of the capitalist class relies. Unpaid reproductive or domestic labour does not directly create surplus-value, but this labour is expended, without costing capital anything, to make its contribution towards the continuing creation of surplus-value for the whole of the capitalist class, not for an individual capitalist.

If socialism is to fulfil its promise of the emancipation of labour, it must make provision for women to liberate themselves from patriarchal structures and belief systems. They must be destroyed, and women – working class women - must take the lead in defining the methods of struggle and the structures and belief systems that replace them.

## Surplus value and socialism

A final point should be made. Socialism does not do away with surplus-value.<sup>4</sup> What it does do is to change the relations of production inherent in its creation. Socialism necessarily inherits some of the features of capitalism. They are, as Marx said, its birthmarks. They include the whole range of roles and responsibilities to which Marx gave the name “bourgeois right”. Mao Zedong said, correctly, that bourgeois right could only be restricted under socialism. Its expansion would (and has) led to the restoration of capitalism.

One such bourgeois right which will be retained under socialism is a wage system. Why should it be retained when Marx advocated for the workers' movement the replacement of the slogan “A fair day's work for a fair day's wage” with the slogan “Abolition of the wages system”?

Abolition of the wages system is the goal of communism. Communism aims for both the withering away of the state as an instrument for class suppression, and the abolition of classes, and for production and distribution according to the principle of “From each according to their ability, to each according to their need”. Distribution of use-values according to need does not require exchange-value and a wage system. But they do require sustainable and high levels of production, and sustainable and high levels of ideology and ethics.

Communist ideology and ethics need time to develop across the whole of post-capitalist society. They will not emerge in one or two socialist countries surrounded by imperialism and capitalism, but will emerge with the global success of socialist revolutions.

Until that time, socialism will operate according to the slogan “From each according to their ability, to each according to their work”.

Distribution according to work is carried out through a wage system and the production of commodities with both use-value and exchange-value.

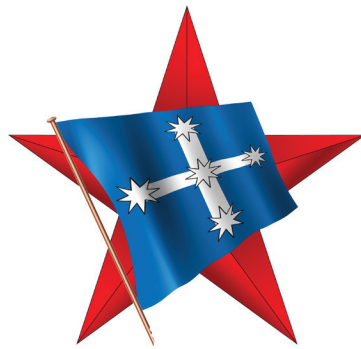
<sup>4</sup> See our previous discussion of the continuation of the law of value under socialism on pages 58-60 here: [CAcoverSept2010b.psd \(cpaml.org\)](#).

This does not eliminate the creation of surplus-value, but does eliminate exploitation from the relations of production by ending the private appropriation of surplus-value by an exploitative capitalist class.

Instead of capitalists trying to intensify exploitation, backed by governments and the machinery of state, workers will exercise their dictatorship through their party and state machinery and determine what proportion of surplus-value is returned to them in the form of wages and benefits, and what is appropriated by their government for the provision of socially necessary services such as free health and education, for infrastructure that serves society, and for the maintenance of the people's own armed forces.

Recognition of this arrangement during the socialist periods of the Soviet Union (the Lenin-Stalin period) and China (the Mao period) saw greatly enhanced enthusiasm by workers for increased production and higher levels of productivity.

Productivity and efficiency gains strengthened the working class during those socialist eras and did not threaten or weaken them as they do under capitalism. Our future, whether as proletarians producing material commodities, or as "brain-power" proletarians producing intangible services commodities, lies in the unleashing of the productive forces of a socialist society in which the working class exercises leadership over everything.



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