

The G.I.C. and the Economy of the Transition Period

An Introduction

This article introduces the major political–theoretical work of GIC, and attempts to clarify the main misunderstandings that still mark its reception.

Origin and meaning of the '*Fundamental Principles*'

The work *Fundamental Principles of Communist Production and Distribution* (further: *Fundamental Principles*) of the Group of International Communists (GIC) is an important text of the communist Left on the economic problems of the transition period from capitalism to communism. The GIC describes the relevance of the *Fundamental Principles* as follows:

“As soon as the rule of the working class has become a fact in an industrialized country, the proletariat is confronted with the task of carrying through the transformation of economic life on new foundations, those of communal labor. The abolition of private property is easily pronounced, it will be the first measure of the political rule of the working class. But that is only a juridical act which aims at providing the legal foundation for the real economic proceeding. The real transformation and the actual revolutionary work then only begins.” ⁽¹⁾

The current meaning of this text is not limited to answering the questions that will arise immediately when the working class has taken political power. The *Fundamental Principles* are of fur-

ther interest in the debate between the views of the Italian and the German-Dutch Left on the lessons of the workers' revolutions of 1917-1923. This debate still encounters mutual ignorance of the views of one another. Because of the lack of complete translations of the 1935 final Dutch edition of the *Fundamental Principles*, and sometimes because of the presence of limited extracts, and a lack of knowledge of the preliminary studies to the *Fundamental Principles* ⁽²⁾ all kinds of misunderstandings have arisen that hinder the discussion until today.

Beyond Marx, Engels and Lenin

The *Fundamental Principles* are an elaboration of the concept of a new society, which Karl Marx and Friedrich Engels derived from the inner contradictions of capitalism and from the autonomous action of the working class in their time, especially in the bourgeois revolutions of 1848 and in the Commune of Paris of 1871. In the first edition of the *Fundamental Principles* (in German), the GIC reports that it was not until they had completed their studies that they became acquainted with Marx's *Critique of the Gotha Pro-*

1) GIC, [Marxism and State Communism; The Withering Away of the State](#) – Amsterdam: Groepen van Internationale Communisten, 1932. – 18 p. The quote is identical to the first paragraph of Max Hempel (pseudonym of Jan Appel), [Marx-Engels und Lenin; Über die Rolle des Staates in der proletarischen Revolution](#), in *Proletarier* (Berlijn), no. 4-6, May 1927. Both texts largely correspond to the *Fundamental Principles* and can be regarded as a preliminary study.

2) For a complete overview of various publications with links to the full texts, see [aaap.be](#). If you are looking for a short summary of the *Fundamental Principles*, you can choose from the following titles, arranged here from simple to complex: by [Spartacus 1961](#) (Dutch original), by Mattick 1938 [Part 1](#), [Part 2](#) (English original), or by Mattick 1934 ([English original](#)).

gram. As a result, the economic measures the GIC proposed had already been put forward by Marx. ⁽³⁾ Detesting any scholasticism, the GIC has critically analyzed the reformist views of a planned economy that were developed after Marx and Engels. The GIC shows in the first six chapters that the Bolsheviks in the Soviet Union applied a state capitalist conception of the planned economy that they had adopted from reformism. In addition, in its final 1935 Dutch edition, the GIC criticizes the planned economy variant of libertarian communism, as this was to be applied by anarcho-syndicalism in 1936 in Spain. ⁽⁴⁾ But above all the GIC bases itself upon the revolutionary council movements in Russia and Germany from 1917 to 1923.

For a correct understanding of the *Fundamental Principles* it is necessary to understand the political framework in which the GIC proposes its economic measures. As is clear from the aforementioned quotation, the GIC presupposes a successful proletarian revolution in which the workers dominate an industrial area of reasonable size. In this revolution the working class, massively organized in councils, *has smashed the bourgeois state and, from that moment on, exercises the dictatorship of the proletariat* through the same councils over a society and an economy that still display almost all the characteristics of capitalism. To the degree that the resistance of the defeated capitalist class and other classes declines, and the proletarian revolution spreads throughout the world, *this 'workers' state' withers away*. This is very briefly the political framework that the GIC is often wrongly thought to have neglected in favor of the 'economic' aspect. It should be noted that the conceptual contrast of 'economics' and 'politics' thus used, is a typically Leninist approach. The *Fundamental Principles* do not neglect the 'political' aspect, but the GIC takes a position different from

3) See [Fundamental Principles of Communist and Distribution](#), 1930, Ch. XIX.

4) GIC, [Fundamental Principles of Communist Production and Distribution](#), 1930, Ch. I to VI. GIC, [The Basic Theoretical Foundations of the Work "Fundamental Principles of Communist Production and Distribution"](#), 1931. The 1935 edition is supplemented with answers to several critics. Unfortunately it has never been translated from Dutch into other languages.

Lenin, stressing that the dictatorship of the proletariat is the massive exercise of the power of the working class by the councils, and not a dictatorship of a party with the help of the state. The reader of the *Fundamental Principles* should not expect further analysis of the Russian revolution, because that was not the purpose of this text. The *Fundamental Principles* are concerned neither with the higher forms of communism, but focus on the time immediately following the revolution and on the economic measures that [have to] ensure that the workers continue to exercise power over society.

Within this political framework, the GIC focuses on the economic aspects of the transitional phase. The working class uses its power over the means of production *to abolish wage labor in all its aspects*. It does so as a revolutionary class, resolutely starting to end the division between brain work and manual labor, by revolutionizing all social relationships, as a mass organized in general enterprise assemblies and councils. This organization was meant by Marx when he wrote about the "*association of free and equal producers*" With this association, the relations of production make an immediate leap from production for profit to production for the *social needs*. In the longer term, the working class will steer the economy from a *scarcity economy* toward *abundance*, allowing for the dissolution of other classes into the "*association of free and equal producers*" in which work will change into *the development of each individual's unique personality*, and *taking according to need* will stretch across an ever larger part of the production.

Jan Appel and the GIC

The first step of this text by the German-Dutch communist Left was made by the experienced German revolutionary worker Jan Appel, member of the SPD, later chairman of the *revolutionäre Obleute* in Hamburg, co-founder of the *Spartakusbund*, member of the KPD(S), co-founder of the KAPD, in the Netherlands co-founder of the GIC in 1927 and after the Second World War member of *Communistenbond 'Spartacus'*. ⁽⁵⁾ He came to his

5) [Jan Appel \(1890-1985\)](#).

first ideas because of the economic chaos both in Germany immediately after the First World War, and in Russia after the October Revolution. As a delegate of the KAPD to the ECCI in 1920, and to the Third Congress of the Communist International in 1921, he saw how the workers of the *Prokhorof* textile factory and the gigantic *Putilov* metal factory were powerless against the chaos that the Bolsheviks caused in the economy, and in particular how wage labor persisted. ⁽⁶⁾

An interview with Paul Mattick shows that he and Jan Appel were in contact with each other in the wake of the revolutionary wave in the German Ruhr area. Jan Appel was arrested by the police for robbing a black trader. His comrades of the KAPD were worried he would be recognized as a revolutionary wanted by the police and condemned to a long prison sentence for the hijacking of a ship to Russia in 1920. Armed with pistols and hand-grenades, Appel's comrades, including Paul Mattick, appeared in the courtroom to liberate him if necessary. It was not necessary; he was not recognized as a 'hijacker' and was initially sentenced to only a short term in prison. ⁽⁷⁾ There Appel could read *Das Kapital* and was able to collect and work out his ideas on the basis of Marx's fragments about the transitional period. Later he was still recognized and he had to serve a severe prison sentence in Hamburg for 'hijacking'. After a general amnesty he was released and emigrated to the Netherlands at the turn of the year 1925-1926 to work at the shipyard *Conrad* in Haarlem. Appel took his notes on what would become the *Fundamental Principles* with him to the Netherlands. In 1926 he presented his ideas for communist production and distribution in two meetings. The first one, in which Appel gave an introduction, took place during Pentecost and a second meeting was held two weeks later. The

6) Notes of a conversation of F.O. with Appel about 1977 (collection AAAP).

7) Plutte, Geoffroy (Hrsg.), *Die Revolution war für mich ein großes Abenteuer. Paul Mattick in Gespräch mit Michael Buckmüller*. Münster, 2013. S. 41/43. *La révolution fut une belle aventure : Des rues de Berlin en révolte aux mouvements radicaux américains (1918-1934) / Paul Mattick*; traduit de l'allemand par Laure Batier et Marc Geoffroy; préface de Gary Roth; notes de Charles Reeve. – Montreuil : L'Echappée, 2013.

participants were some members and ex-members of the KAPN: Henk Canne Meijer, Piet Coerman (Bussum), ir. Jordens (KAPN section Zwolle) and Herman Gorter. The latter reacted extremely critically. Gorter appealed to Lenin's *The State and Revolution* and said that production should be organized like the postal services and the railways. According to Appel, Gorter became so emotional that Appel asked other participants what was wrong with him. Gorter was already ill then. ⁽⁸⁾ On September 15, 1927 he died. The GIC was then formed with in particular Coerman, Canne Meijer, Appel and Herman de Beer. The GIC further developed the basic text by Jan Appel, with Canne Meijer taking care of its redaction.

Three preliminary studies

This led to three preliminary studies, parts of which were included in the first printed edition of the text, published in 1930 by the *Allgemeine Arbeiter Union* in Berlin. These preliminary studies are extremely important because they show the political framework of the *Fundamental Principles* more clearly than the 1930 edition of the main text.

Jan Appel's source text appeared in 1928 in three episodes in *Klassenstrijd* under the pseudonym Piet de Bruin as "*Aantekeningen over communistische economie*". The text refers directly to the practical experience of the revolution in Russia:

"The attempts that have been made in Russia to construct communism have drawn a field into the scope of practice that hitherto could only be treated by theory. Russia has attempted to build up economic life, as far as it concerns industry, according to communist principles... and has completely failed in doing so." ⁽⁹⁾

8) On the basis of notes of a conversation by F.O. with Appel around 1977 (collection AAAP).

9) For the complete original text in Dutch see: [Aantekeningen over communistische economie](#). The first part has been published in in AFRD Vol.1#04, August 22nd, 2017: "[Extracts from: 'Notes on communist economy' by Piet de Bruin \(Jan Appel\), 1928 \(Part 1 of 3\)](#)".

Secondly, the GIC published a study on the problem of the relations between industry and the agricultural sector, and thus between workers and peasants, a major obstacle to the Russian Revolution. The GIC supplemented the Russian experience with the attitude of the peasants in the German revolution. From this study the GIC derives the following important political conclusion:

“The social revolution, which communism regards as a new law of movement for the distribution of products, has something to offer the peasants. In addition to the exemption of all leases, mortgages and corporate debts, the even distribution of the national product brings the direct equality of city and country, which in practice leads to favoring of the farmer. But the agrarian proletariat, this pariah of capitalist society, is making a mighty leap forward, so that it has every interest in bringing agriculture into communist production.” ⁽¹⁰⁾

This approach to the peasants is completely different from the Bolsheviks' inconsistent attitude: reassuring, shortly before October 1917, the distribution of land ownership over the peasants; compulsory supply of the cities after the revolution; concessions to private ownership of land during the NEP; finally forced collectivization under Stalin and, consequently, lasting problems with food supply. The political perspective mentioned above was derived from the GIC's investigation of recent developments in the agricultural sector. This topic followed an old discussion in Dutch Social Democracy before the First World War, ⁽¹¹⁾ and Gorters well-known remark in his *Open letter to comrade Lenin* about the different importance of the peasants in the revolution in east and in west. This investigation gave the GIC the following insight:

“(...) that the current agriculture is characterized by specialization and thus has developed completely into 'commodity production'. An increase in productivity has been achieved through modern technology, with-

out companies concentrating in one hand. This develops in parallel with the development of agricultural cooperatives, which combine farms into communities of interest, but farmers often lose their 'freedom' (for example, in many cases, disposing of their product). It is typical, although very understandable, that the current labor movement does not want to see this capitalist development in agriculture. Understandable, because these growth lines do not fit into their state-communist theory. The farm is socialized, the farms are forged together and act collectively and yet they are absolutely not suitable for state administration. Of course, the so-called socialist working-class movement does not infer from this that its state-communist theory is wrong, but concludes that communism is impossible unless agriculture develops along the lines it ought according to scholastic Marxism.

(...) The position of the Group of International Communists in relation to the nature of the proletarian revolution originates in no small part from the development that the peasant enterprise has assumed in the highly developed capitalist countries. It is precisely the fact that agriculture has optimally become involved in social labor, that agriculture has been integrated in the process of the social division of labor, that it has advanced to industrial production and yet cannot not organically be integrated into 'socialism' or 'communism', that casts strong doubts on the coherence of the 'communist' theories. The whole of 'nationalization' or 'socialization theories' appear to be nothing else than a reformist distortion of the proletarian goals.” ⁽¹²⁾

The third preliminary study by the GIC was only published in the Netherlands in 1932, as the pamphlet *Marxisme en staatscommunisme; het afsterven van de staat.* ⁽¹³⁾ Jan Appel had already published this text in German in 1927. In *Marxisme en staatscommunisme*, the GIC criticizes the identification of nationalization with socialization and of state capitalism with socialism, which Lenin had adopted from reformism in *The State and revolution*. In contrast to the strengthening of the state that ensued from it, and that contrasted with

10) GIC, [Ontwikkelingslijnen in de landbouw \(Ontwikkeling van het boerenbedrijf\)](#), 1930. See for a recent position: [over het agrarische vraagstuk](#).

11) See: [Eenige opmerkingen bij de voorstellen van de agrarische commissie](#) / Ant[on]. Pannekoek [Met een antwoord van H. Gorter] in: *De Nieuwe Tijd*, 1904, p. 409-420.

12) GIC, [Ontwikkelingslijnen in de landbouw \(Ontwikkeling van het boerenbedrijf\)](#), 1930.

13) GIC, [Marxism and State Communism; The Withering Away of the State](#) – Amsterdam: Groepen van Internationale Communisten, 1932. – 18 p.

Lenin's expectation of the withering away of the state, the GIC sticks to Marx's view that the association of free and equal producers, that is the workers' councils, takes over the means of production. For the GIC it is therefore only natural that the workers' councils exercise their dictatorship over society economically as well, namely by controlling production and distribution as an association of free and equal producers. In this way it is possible that this dictatorship ('proletarian state') actually dies off in the further development of communism.

End of part 1



Illustration 1: Jan Appel (1890 – 1985), instigator of the "Fundamental principles". Photograph: Maastricht, 1978 (Source: A.A.A.P.)

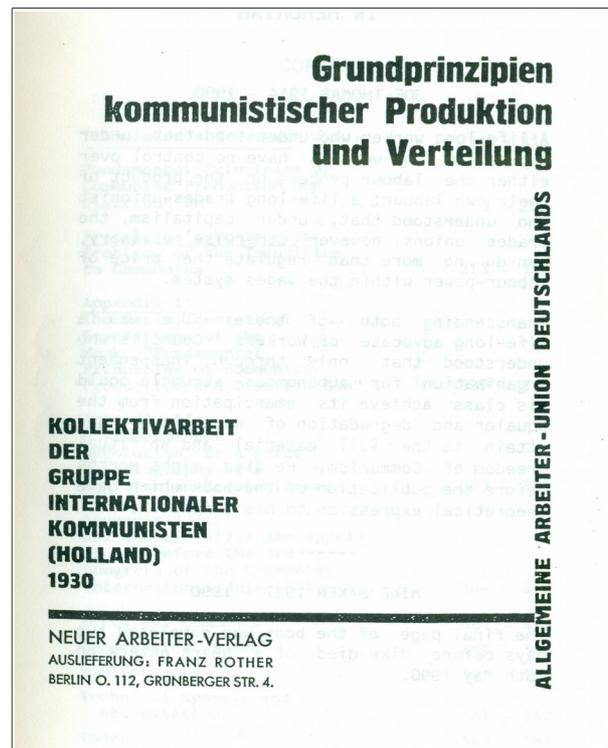


Illustration 2: Front cover of the "Grundprinzipien"'s first edition (A.A.U.D., Berlin, 1930)

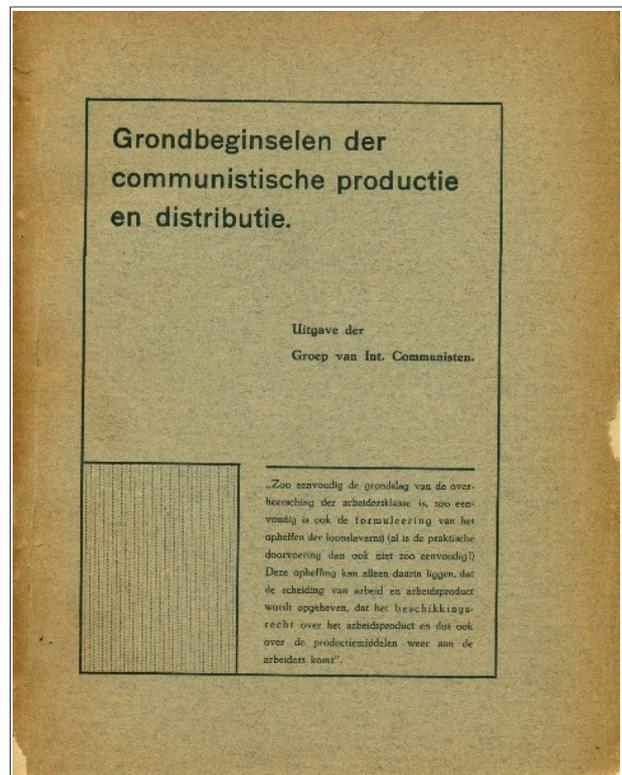


Illustration 3: Front cover of the 2nd, revised and supplemented edition in Dutch language (G.I.C., January 1935)

Misunderstandings and anti-critique

In the foregoing, reference has been made to the misunderstandings that have arisen over time due to inadequate translations and summaries of the *Fundamental Principles* and unfamiliarity with the three preliminary studies. This section introduces the most important of these misunderstandings and corrects them with references to the 1935 version of the *Fundamental Principles*.

The first critique was that of Herman Gorter at the presentation of Jan Appel's first draft. Unfortunately, this critique was only passed on by word of mouth. Gorter's appeal of 1926 to Lenin's *The state and revolution* for his view that production should be arranged as in the postal service and the railways was answered by Appel's critique of Lenin in the original German version of 1927 of the GIC pamphlet *Marxisme en staatscommunisme; het afsterven van de staat*.⁽¹⁾

Presupposed ideals of absolute equality

At first Anton Pannekoek was also skeptical and did not want to write a foreword to what he thought was a Utopian plan. After reading, that proved too easy; it was more a critique of the view that the organization of production had to come from the state.⁽²⁾ In his book *Workers' Councils* (1946) Pannekoek devoted ten pages to a summary of the *Fundamental Principles*.⁽³⁾ In his standard work on the Dutch and German communist Left, Bourrinet suggests that Pannekoek in *Workers' Councils* 'implicitly' criticizes the *Fundamental Principles*. Among many other misconceptions that only show that the author is not acquainted with the version of the *Fundamental Principles* revised in 1935, Bourrinet falsely presupposes that the GIC uses an absolute idea of 'justice' and 'equal distribution'.⁽⁴⁾

In his introduction to the republication of the first German edition Paul Mattick was already critical in 1970 on the distribution based on hours worked, which the GIC proposed at the beginning of the transitional period. In addition this text contains all sorts of interesting points for discussion that go beyond the scope of this text. The "possible wrongs of a distribution bound to labor time" that Mattick showed, namely that in spite of formal equality there is no equality of work, nor of living conditions of the workers, were known to the GIC as well as to Marx, as was the essential solution, the evolution toward a higher stage of communism, where taking according to needs and giving according to capacities will prevail. Mattick simplifies the problem in his assumption that "in the advanced capitalist countries (...) the social forces of production are sufficiently developed to produce means of consumption in abundance" and "that under the conditions of a communist economy an abundance of means of consumption can be produced that renders a calculation of individual shares [in communal labor] superfluous."⁽⁵⁾ Firstly, we do not know what devastation as a result of the destruction of the environment, the imperialist wars, the economic crises and the civil war between capital and labor, will be inherited from capitalism by a victorious working class. Secondly, Mattick does not ask the question "who will work if consumption is free?" The transition from scarcity to abundance in the higher forms of communism is not just a question of the technical development of the productive forces. The revolution is also the "self-education" of the human productive forces, by which the proletariat can "succeed in ridding itself of all the muck of ages and become fitted to found society anew."⁽⁶⁾

Within the group *Daad & Gedachte*, on the narrow basis of its own summary of the *Funda-*

1) GIC, [Marxism and State Communism; The Withering Away of the State](#) – Amsterdam: Groepen van Internationale Communisten, 1932. – 18 p.

2) Anton Pannekoek, *Herinneringen*, 1982, [p. 215](#).

3) Anton Pannekoek, *Workers' Councils*, 1946 [Shop organization](#).

4) For the most recent, partly rewritten edition, see *The*

Dutch and German Communist Left (1900-68), Brill, p. 358/363. The first edition of this Thesis has also been distributed by the ICC as its own 'collective work'. See also Corvo's critique [Council communism or councilism? - The period of transition](#).

5) See: [Introduction / Paul Mattick](#).

6) Marx/Engels, [The German Ideology](#).

mental Principles, discussions emerged in the late 1970s about the existing inequalities in pay when calculated on the basis of hours worked. In addition to interesting proposals to compensate for these inequalities, however, the group advanced 'equality' ideals that are missing in the GIC writings. (7)

At the beginning of the transitional period, when it is a society that still has characteristics of capitalism, the word "freedom" in the "association of free and equal producers" has a negative connotation, as opposed to oppression, and not yet that of the free development of individually unique properties. Likewise, the word "equality" in the period immediately after the proletarian revolution reminds us that the formal equality of civil law in "equal producers" hides all kinds of real forms of inequality. Equality is dealt with in the *Fundamental Principles*, 1935, in Chapter IX under the heading "'Rechtvaardige' verdeling?":

"In communist production we therefore demand that working time be the measure of consumption. Each worker determines by his work at the same time his share of the social stocks of consumer goods.

Or, as Marx says: 'He receives a certificate from society that he has furnished such-and-such an amount of labor (after deducting his labor for the common funds); and with this certificate, he draws from the social stock of means of consumption as much as the same amount of labor costs. The same amount of labor which he has given to society in one form, he receives back in another.' (See the end of Chapter III.).

This is misinterpreted as a 'fair' distribution of the national product. And that's true in the sense that no one can eat with leisure, as the shareholders do when they only collect the dividend. But with that justice is exhausted. At first glance, it appears that all wage differentials are abolished, and that all functions in social life, both spiritual and manual labor, give equal rights to social stocks. On closer inspection, however, this law of equality works very unfairly.

Let us take two workers, both of whom give society the best of their powers. But one is unmarried, while

7) Daad & Gedachte, *Maar hoe dan? Enige gedachten over een socialistische samenleving*: [Discussie](#).

the other has a family with five children. Another one is married, while husband and wife both work so that they have a 'double' income. (8) In other words, the same right to social resources becomes a great injustice in practical consumption.

The distribution of labor according to the working time standard can therefore never be deduced from justice. The standard of working time has the same shortcomings as any other standard. That means: A fair standard does not exist and can never exist. Whatever criterion one chooses, it will always be unfair. And that's because using a scale means ignoring individual differences in needs. One person has few needs, the other many. One man can thus satisfy all his needs with his allocation on the supplies, while another lacks all kinds of things. They give society their whole being, and yet the first can satisfy his needs and the second one can not.

This is the imperfection inherent in every scale. In other words, the definition of a consumption measure is an expression of the unevenness of consumption.

*The demand for equal rights to social stocks has nothing to do with justice. On the contrary, it is a **political demand** par excellence that we set as **wage laborers**. For us, the abolition of **wage labor** is the central point of the proletarian revolution. As long as work is not the norm for consumption, there is a 'wage', be it high or low. In any case, there is no direct connection between the wealth of the goods produced and this wage. Therefore, the management of production, the distribution of goods and thus also the added value produced, must go to 'higher instances'. However, if working time is the criterion for individual consumption, it means that wage labor has been abolished, that there is no longer any surplus value produced, and therefore no 'higher levels' are needed to distribute 'national income'.*

The requirement of an equal right to social resources therefore does not depend on 'justice' or any kind of moral assessment. It is based on the conviction that

8) Note by F. C. : This example falsely indicates that bourgeois marriage and the bourgeois family will persist during the transitional period. But the communists will propose an individualization of incomes that will ensure that those who form a household do so on the basis of personal affection only and will not be forced by mutual economic dependency.

only this way wage workers can **keep** control of the economy. From the 'injustice' of the equal right, communist society begins to develop." (9)

Incomprehension of the political framework

From the point of view of the Italian left in exile, a more political critique has been made on the *Fundamental Principles*. However, Mitchell, in a very lengthy consideration in *Bilan* from 1936 to 1937, ignored the political premises found in both the preliminary studies and the 1935 edition of the *Fundamental Principles*. As a result, his conclusion is in part equivalent to stating the obvious:

"In the next revolution, the proletariat will win regardless of its cultural immaturity and its economic shortcomings, provided it does not rely on 'the construction of socialism' but on the development of the international civil war." (10)

Hennaut had already written in 1936 a French summary of the *Fundamental Principles* for *Bilan*. With knowledge of the Dutch edition, Hennaut formulated in 1935 in *Bilan* much more cautiously and more precise what *Bilan* meant, namely the question of the *proletarian state*:

"(...) that a revolution, how 'mature' it may be, can never be a mechanical process. It is possible that this is not the view of our Dutch comrades, and that the gap to which we refer is due only to the necessity of abstraction, for the sake of clarity, to present economic development as completely separate from the political. However, it is important to provide more clarity in this regard. It is true that they explain somewhere that the state remains necessary for the proletariat after the seizure of power. It is a 'state' of a special character, which in reality is no longer a state, as Lenin, according to Marx, has shown. It concerns a state that can 'only die off', while Marxism has shown that the state is always the means to oppress one class against another. It is possible that, for the sake of clarity, the term 'proletarian state' should be replaced by a more correct one. But with this argu-

ment, one will understand our criticism. The presentation of the Dutch explains the necessity of a 'proletarian state' which can not escape its function as a tool to suppress the counter-revolution." (11)

The Italian Left in *Bilan* and *Internationalisme* has brought forward interesting positions on the state in the transitional period. Unfortunately, the discussion between the positions of the Italian and the Dutch communist Left has been stuck for decades because of disregard of the political framework that the GIC has used. (12) Some of these persistent misunderstandings were spread by Gilles Dauvé.

After May 1968, the German-Dutch Left was re-discovered in France. This rediscovery took place in the shadow of petty bourgeois and artisan illusions about an economic "workers self-management" of isolated occupied factories – for example, the watch factory LIP - within capitalism. After some council-communist texts were newly translated or republished from previously obscure sources, Authier and Barrot (the latter being a pseudonym of Gilles Dauvé) published in 1976 a first historiography in French of *La gauche Communiste en Allemagne 1918-1921*. The authors took over Bordiga's critique of a supposed obsession of the German communist Left with forms of organization (councils, party) at the expense of their content, the communist program. Bordiga pointed out that as long as the ruling Communist Party of Russia only adhered "programmatically" to the world revolution, Russia would be governed by a dictatorship of the proletariat. (13) Bordiga did not identify state capitalism with socialism, as Lenin did in *The state and revolution* before the October Revolution. Bordiga appealed to Lenin's statements at the time of the fight against the Left Communists and later in the defense of the NEP. A Lenin who had become more critical after the October Revolution de-

11) A. Hennaut, [De Nederlandse Internationale Communisten over het program van de proletarische revolutie](#).

12) Dutch language reader: 'G.I.C., *Grondbeginselen der communistische productie*' I. [De politieke randvoorwaarden](#).

13) See notably '*Bilan d'une révolution* (1967, 1991)', conclusion of part I, [Les grandes leçons d'Octobre 1917](#). In [German](#).

9) *Fundamental Principles*, 1935, in Ch. IX under the title "[Rechtvaardige' verdeling?](#)".

10) Mitchell, [Problèmes de la période de transition](#).

fended state capitalism as an economic advance towards socialism, but he did qualify it as capitalism. On these not insignificant intricacies in the defense of state capitalism by Lenin and Bordiga, it is important to emphasize that Bordiga accepted the Leninist substitution of mass activity and mass organization of the class by the minority organization of the party, whereas the Dutch and German Left shared the view of the workers' councils as mass organs of the dictatorship of the proletariat. This view, however, is dismissed in Leninist style from the substitutionist point of view of Bordigism as the priority of the organizational form over the programmatic content, if not simply as "economism". With a Bordigist appeal to the primacy of the program, Authier and Barrot have qualified the whole German-Dutch Left as "councilist",⁽¹⁴⁾ denying its 'communist' character.

The main crime the GIC has committed in the eyes of Authier and Barrot is its proposal to introduce the socially average working hour as a unit of calculation in an economy that still knows penury. By introducing a general unit of accounting the value relationship would be maintained. To prove that, they rely on Bordiga, who would have been sole to have repeated for long that communism exceeds every value. Calculations were only to be applied to physical quantities, "but not in order to quantify, to regulate an exchange that no longer exists."⁽¹⁵⁾ In this context Authier and Barrot refer to two fragments of his extensive work on *The Economic and Social Structure of Modern Russia*.⁽¹⁶⁾ These fragments however say in the first place, that in socialism the accumulation of value is replaced by a production of use values (p. 191). Secondly, Bordiga points out that the Bolsheviks used money as a means of calculation in their planning, and he agrees with Bukharin where the latter expresses a preference for planning in kind or physical quantities (p. 205). The Bolsheviks applied this planning in kind during

14) Authier/Barrot, "La Gauche Communiste en Allemagne 1918 – 1921", Parijs, 1976 p. 18. [English translation](#).

15) Idem, p. 227. [English translation](#).

16) Bordiga, *Structure économique et sociale de la Russie d'aujourd'hui; II Développement des rapports de production après la révolution bolchevique*", Paris, without year.

War Communism, a generally recognized total failure after which the NEP was introduced. Planning in physical quantities was analyzed by the GIC in *Fundamental Principles*.⁽¹⁷⁾

Authier and Barrot refer to Marx's critique of Proudhon as a second argument against working time as a unit of calculation. In 2013, however, David Adam has shown that the GIC's proposals are fully in line with Marx. In his political adventures⁽¹⁸⁾ Barrot/Dauvé had developed into the main ideologue of the current of 'communisation'. Confronted with Adam's argument Dauvé turned away from Marx:

"In [Marx's Critique of Socialist Labor-Money Schemes & the Myth of Council Communism's Proudhonism](#), libcom, 2013, David Adam rebuts my former critique of the councilist vision of communism on the ground that the GIC's notion of value is the same as Marx's. The discussion is becoming rather tricky, no fault of D. Adam or mine, it is just that the question is complicated. In the past, I wished to refute the GIC in the name of Marx's analysis of value, with special reference to the Grundrisse. I now make the point that there is something highly debatable in Marx's vision itself, both in *Capital* and the *Grundrisse*, and that the GIC did follow Marx's footsteps and was wrong to do so: far from being a useful and fair instrument of measure, labor time is capitalist blood. This is more than a causative link: labor time is the substance of value. Marx was indeed a forerunner of the councilist project."⁽¹⁹⁾

For the sake of completeness it has to be noted here that Bordiga's work on *The Economic and Social Structure of Today's Russia* contains a chapter in which he refers to the labor certificates (with the number of hours worked) that Marx in

17) GIC, *The Basic Theoretical Foundations of the Work "Fundamental Principles of Communist Production and Distribution"*, Ch. III [The Distribution of Means of Production and Consumption "in Natura" \(by Barter\) as a Bolshevik Ideal](#), in Dutch: GIC, *Grondbeginselen van de communistische productie en distributie*, Ch. XII [De opheffing van de markt](#)

18) See on this unappetizing history: Bourrinet, [Dictionnaire biographique d'un courant internationaliste](#), lemma Dauvé.

19) Gilles Dauvé, "[Value, time and communism: re-reading Marx](#)".

his *Critique of the Gotha Program* proposed as a right to consumption in the first stage of socialist society. Bordiga says that in the Soviet Union he has encountered all kinds of purely capitalist categories, money, savings, bank accounts, interest, credit, but never these *labor certificates*.⁽²⁰⁾ That makes Dauvé's appeal to Bordiga questionable at least.

Enough about persistent misunderstandings of the *Fundamental Principles* by lack of knowledge of its text, especially in the French-speaking world. Let the GIC finally speak for itself.

The economic dictatorship of the proletariat

Under the title "The Economic Dictatorship of the Proletariat", the GIC gave its political vision in its 1935 edition of the *Fundamental Principles*:

*"Finally, we must devote a few words to the dictatorship of the proletariat. This dictatorship is a matter of course for us, and one need not necessarily talk about it, because the structure of communist economic life is no different from the dictatorship of the proletariat. The implementation of the communist economy means nothing other than the abolition of wage labor, which enforces **the equal right** for all producers on the social stocks. That is the abolition of all privileges of certain classes. The communist economy does not give anyone the right to enrich himself at the expense of the work of others. Who does not work, shall not eat. The implementation of these principles is by no means 'democratic'. The working class is implementing them with the most violent, bloody fight. There can be no question of a 'democracy' in the sense of class cooperation, as we know it today in the parliamentary and trade union system.*

But if we look at this dictatorship of the proletariat from the transformation of social relations, from the reciprocal relations of men, then this dictatorship is the true conquest of democracy. Communism does not mean anything else than that humanity enters a higher cultural stage, because all social functions come under the direct guidance and control of all workers and [they] thus take their fate into their own

hands. That is, democracy has become the life principle of society. Thus, an essential democracy, rooted in the management of social life by the working masses, is exactly the same as the dictatorship of the proletariat.

*It was again reserved for Russia to make this dictatorship a caricature by presenting the dictatorship of the Bolshevik party as the dictatorship of the proletarian **class**. Thus, it closed the door for genuine proletarian democracy, the administration and the direction of social life by the masses themselves. The dictatorship of a party is the form in which the dictatorship of the proletariat is actually prevented.*

*In addition to the social significance of the dictatorship, lets have a look at its economic content. In the economic sphere, the dictatorship operates in such a way that it brings the new social rules to which economic life is subject to general application. The workers themselves can add **all** social activities to the communist economy by accepting their principles by implementing production for the community under the responsibility of the community. All together, they implement communist production.*

It is obvious that different parts of the agricultural sector will not immediately follow the rules of communist economic life, that is, they will not join the communist community. It is also probable that different workers will understand communism in such a way that they want to run the enterprises independently, but not under the control of society. Instead of the private capitalist of the past, the business organization acts as a 'capitalist'.

In this respect, the economic dictatorship has the special function to organize the economic sector according to the general rules, the social accounting in the general accounting office fulfilling an important function. In the social accounts we find the registration of the flow of goods within the communist economic life. This means nothing else than that those who are not part of the system of social accounting can not receive any raw materials. Because in communism nothing is 'bought' or 'sold'. Producers can only receive products and raw materials from the community for further distribution or further processing. However, those who do not want to include their work in the socially regulated work process exclude themselves from the communist community.

20) Bordiga, idem, Le 'bon' de Marx, p. 221 and following.

Thus, this economic dictatorship leads to a **self-organization** of all producers, whether small or large, whether industrial or agricultural. In fact, this dictatorship immediately abolishes itself from the moment that producers bring their work into the social process and work according to the principles of social control and abolition of wage labor. This is then also a dictatorship that automatically 'dies' as soon as the entire social life is grounded on the new foundations of the abolition of wage labor. It is also a dictatorship that does not perform its power with the bayonet, but which is carried out with the economic laws of development of communism. It is not 'the state' that carries out this economic dictatorship, but something more powerful than the state: the economic laws of development." ⁽²¹⁾

21) *Fundamental Principles*, 1935, in Ch. XVI under the title [De economische dictatuur van het proletariaat](#).

The *Fundamental Principles* certainly do not provide the final word on the economic measures that the workers' councils can take after their conquest of political power. But the GIC has so far provided the most comprehensive and profound analysis of the revolutionary experiments in the period 1917-1923. It is up to new generations of revolutionary workers to go further, standing on the shoulders of what has been accomplished 100 years ago.

Fredo Corvo, May 2018.

Proofreading: Jacob Johanson, May 12, 2018.

Main References

Author(s)	Title	Source	Remarks
G.I.C.	Marxism and State Communism; The Withering Away of the State	Pamphlet G.I.C. 1932 (English translation)	Preliminary study to the Fundamental Principles
Piet de Bruin (Jan Appel)	Extracts from: 'Notes on communist economy' by Piet de Bruin	' <i>Klassenstrijd</i> ' 1928; Part 1 of 3. (English translation)	Preliminary study to the Fundamental Principles
G.I.C.	Ontwikkelingslijnen in de landbouw	Pamphlet G.I.C. 1930 (Dutch)	Preliminary study to the Fundamental Principles
Anton Pannekoek	Workers' Councils, Shop organization	Originally in Dutch, Amsterdam, <i>De Vlam</i> , 1946 (English translation)	Pannekoek on the transitional period
Paul Mattick	What is communism?	<i>International council correspondence</i> , 1934	Short summary of the Fundamental Principles
Paul Mattick	Introduction [to German re-edition of Grundprinzipien 1930]	Berlin, 1970 (English translation)	Summary and critics
G.I.C.	Fundamental Principles of Communist Production and Distribution	First edition, 1930, in German, <i>Neuer Arbeiter-Verlag</i> , Berlin (English translation)	Mike Baker edition in English, "ameliorated" and "complemented" by Baker
G.I.C.	The Basic Theoretical Foundations of the Work	1931, Supplement to First edition, in German, <i>Neuer Arbeiter-Verlag</i> , Berlin (English translation)	Mike Baker edition in English, "ameliorated" and "complemented" by Baker
G.I.C.	Grondbeginselen van de communistische productie en distributie	Pamphlet G.I.C. 1935 (Dutch original)	The 1935 edition is supplemented with answers to several critics. Unfortunately it has never been translated from Dutch into other languages.
Vico (editor)	Jan Appel (1890-1985)	A.A.A.P.	Biographical information
Vico (editor)	Theme: The Economic Solution for the Period of Transition	A.A.A.P.	A complete overview of various publications with links to the full texts

Article summary

The *Fundamental Principles of Communist Production and Distribution* by the Group of International Communists (GIC) is not just a historical text. On the basis of Marx's views and the experiences in the revolutions of 1905 – 1923 in Russia and Germany, the GIC addresses the problems that will immediately come up after the seizure of political power by the working class. The text of the GIC was published in 1930 for the first time, in German language. Many translations and excerpts in multiple languages are based on this first edition. It is less known that the GIC published a final, revised and supplemented, edition in Dutch in 1935, in which it answered a number of critiques.

By lack of translations and due to partial excerpts and a lack of knowledge of the three preliminary studies to the *Fundamental Principles*, the debate on the transitional period between the positions of the Dutch and the Italian Communist Lefts has remained hampered until today. For the first time an attempt is made to eliminate the two most important misunderstandings and critiques by summarizing these texts, hitherto unknown outside the Dutch language area, and at the hand of quotations.

This concerns in the first place the ideals of 'absolute equality' that are wrongly attributed to the GIC, whereas the latter has pointed out the actual inequality in a distribution based on the number of hours worked, just as Marx had done in his critique of the Gotha program.

Secondly, on the basis of the preliminary studies and the edition of 1935, the political framework is sketched in which the GIC has posed the economic problems, contradicting its supposedly unilateral economic approach of the transitional period.

Particular attention is paid to the misconceptions that were first spread by Authier and Barrot (Dauvé) in the French language area, and that are continued by the views of the 'communization' movement. In reply, David Adam has already shown that the GIC is not Proudhonistic, but that its views on the end of wage labor and value match with that of Marx. Here it is demonstrated that Authier's and Barrot's reference to Bordiga is dubious and that, in the final pages of his work "*The economic and social structure of present-day Russia*", Bordiga precisely falls back on the "labor stamps" that have been condemned by Authier and Barrot.

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