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## **The concept of a transformative social-state-economy**

Perspectives of a new Fiscal, Infrastructure und Industrial Policy

*A draft of transformation research based on value, reproduction,  
and practice theory*

### **Summary**

The design of a social-state economy as a systemic alternative and a corresponding fiscal, infrastructure and industrial policy shows that transformative research requires a practical and dialectical scientific upgrading. Otherwise, the necessary political-economic Marx legacy can neither be properly understood nor further developed. This orientation towards a political-economic foundation is lacking in current alternative and degrowth thinking and in approaches to transformation research.

The investigations tie in with the revolutionary development of the social-infrastructure. The corresponding, higher socialized welfare state in post-war social capitalism is subjected to an analysis based on value, reproduction, and practice theory. This shows that the sought-after alternative already exists as a real latency or dimension in the existing reality. In this respect, the traditional critique of political economy is historically lagging behind.

This means a different historical periodization and interpretation of the situation as a formationally contradictory transitional period: The liberalist-capitalist formation and imperial world has passed its zenith with global expansion and continues to drift in its stage of decadence, fraught with problems and crises and with growing destructiveness. A Green New Capitalism will also fail due to the simultaneous fossil-climate transition. But how can the pressing new be grasped and made effective?

The uncovering of a fundamental disproportionality in the social-capitalist, trinodally structured relations of value and reproduction explains the financial crises of the tax state. What is needed, however, is a capital transfer tax that is applied to constant capital. This fiscal empowerment of the democratic constitutional, social, and national state enables the liberation of socio-economic services from austerity and privatization. A mixed or socialist commodity, market and industrial economy corresponds to the legal and property changes brought about by new value relations. New forms of enterprise enable socially responsible economic governance.

In the course of the reorganization, the system approaches the form of a simple, oikonomically tuned reproduction. The change in economic calculation leads to a tendency to contain or abolish the symptomatic complex associated with the compulsion to exploit and grow. This creates the basis for an ecological, solidary, and democratic sociality that offers social individuals the corresponding freedoms and opportunities. It is a new, future-open development system of social work, production, performance, and practice.

The democratic sovereignty and assertiveness of such a transformative formation can be supported by its socio-economically reinforced self-referentiality, by people's desire for freedom and self-assertion as well as their ability to make decisions regarding monetary and foreign trade relations. The appropriate concept of the national expresses the specific constitution and cultural nature of a society and refers to its possible development in internal and external diversity.

This development is not only suggested by the setbacks of globalization and the internal disintegration of liberalist-capitalist sociality, but also because of the significantly increasing social and infrastructural requirements for the purpose of decarbonization and coping with climate catastrophes. These are pushing the existing system to its limits. Added to this are the anti-hegemonic development and emancipation aspirations of the countries of the global South. The profile of the socio-economic transformation of the welfare state also promises them fundamental orientation.

In the current transition to fragmented, multipolar world conditions, societies in a state of upheaval and change can benefit from corresponding social interdependencies and international traffic regulations, but not from liberalist free trade. The new economic-political system promises to be more resilient to extreme situations of climate, war and global economic development than the capital-driven and finance-capitalist configuration.

It is clear that the decisive force of change in the transition period lies in the emergence of a new socio-economic formation and the different social forces associated with it. The struggle between capital and labor, for the preservation of the natural foundations of life and in the sense of socialist perspectives are part of this overarching context. The task is to constitute this potentiality practically, ideally and institutionally according to the respective circumstances and to concretize it in economic, social and political development programs. In this way, the ideational substance, social synergy and international co-activity necessary for the social left and social emancipation can emerge.

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