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The concept of a transformative social state economy

Perspectives of a new Fiscal, Infrastructure und Industrial Policy

Summary

The concept of a social state economy as a system alternative and a corresponding fiscal, infrastructure and industrial policy shows that transformation research requires a practice-oriented and dialectical scientific approach and a broad socio-economic horizon. Otherwise, the necessary political-economic legacy of Marx can neither be properly understood nor further developed. This orientation towards a political-economic foundation is still too little present in current alternative, emancipation and degrowth thinking and in the approaches of transformation research.

The investigations tie in with the revolutionary development of the social-infrastructure. It was only after Marx and during the interim, muddled period of crisis, war and revolution that corresponding forms of a more highly socialized social state emerged. In this sense, the *social capitalism* of the post-war period was able to develop, especially in Europe.

This formation is subjected to an analysis based on value, reproduction, and practice theory. It turns out that the alternative we were looking for was already prestructured as a real latency or dimension in the existing one. In this respect, the traditional critique of political economy, if one looks back at the theoretical-historical studies on the crisis of the tax state, state finances, general conditions of production and existence, shows a historical lag in development, also in questions relating to the problem areas of capitalism, the social state and socialism.

The system of an alternative social state economy was undermined, pushed back and deformed in the course of the neoliberal offensive and financial capitalist globalization. However, the so far proven contradictory formation of modern economic societies cannot really be reversed at the current level of productive forces and social reproduction relations. This is why the latently existing new is also asserting itself under today's conditions.

The developed view of the historical development finally leads to the interpretation of today's situation as a formationally contradictory transition period. The liberalist-capitalist formation and imperial world has passed its zenith with the global expansion and continues to drift in its stage of decadence, fraught with problems and crises and with planetary

destructiveness. A Green New Capitalism will also fail in view of the ecological limits that have been reached. But how can we grasp the underlying urge for something new and make it effective?

In modern formation, the active state forms the central, mediating process node in the overall social context of reproduction. In this context, the state is referred to the basis and functioning of the capital economy, which forms a second node in the value-economic relations. The third node is the other half of social work, so to speak, or the social-infrastructureal productions. In the sense of *social-economic services*, these represent a different purpose and a separate economic form in relation to the commodity, industrial and capital economy.

The analysis of these *trinodally* structured relations of value and reproduction reveals a fundamental disproportionality that sheds light on the financial problems of the modern tax state. What is needed, however, is a new capital transfer tax that targets constant capital. This fiscal empowerment of the democratic constitutional, social, and national state has far-reaching consequences: it enables the liberation of social-economic services from austerity and privatization. The *value relations* or laws of value of this configuration are accompanied by changes in *legal relationships* and new forms of social *appropriation* and *ownership*. All this corresponds to a mixed or socialist commodity, market, and industrial economy. Their forms of enterprise should enable socially responsible economic governance.

In the course of the reorganization, the system moves closer to the form of what is politico-economically known as *simple reproduction*, which is now oikonomically oriented. This means the transformation of what once had to be squeezed out as *surplus value* and growth into the form of unconstrained *social savings*. These resources are then available for the purposes of economic-ecological restructuring and all-round social development. In the mainstream of prevailing economics, these coherencies are not comprehensible per se due to the lack of a basis for thought and the prevailing affirmative, practical orientation.

The envisaged change of the reproduction type and economic calculus will tend to contain or eliminate the symptomatic complex associated with the compulsion of exploitation and growth. The modified labor, appropriation, and ownership conditions are expressed in practice in changed corporate constitutions, economic and financial forms and social state economy policies. This creates the basis for an ecological, solidary, and democratic sociality that offers social individuals corresponding freedoms and opportunities. It is about 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 self-referentiality reinforced by the social state economy, by people's desire for freedom and self-assertion, and by 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.

A transition in this development direction is suggested not only by the increasing setbacks of globalization and the social, economic and ideological disintegration of liberal-capitalist sociality, but also by the significantly increasing social-infrastructure requirements in the course of decarbonization and the coping with climate catastrophes. These are pushing the existing system to its limits. In addition, the anti-hegemonic development and emancipation efforts of emerging countries and other countries and societies of the global South are intensifying. The profile of the social state economy transformation also promises them fundamental future orientations.

In the transition to fragmented, multipolar world relations, societies in a state of transformation and upheaval are offered corresponding social interconnections of interests and international traffic regulations that oppose liberalist-capitalist, militarist, and imperialist relations. In contrast to the capitalogenic and financial capitalist configuration, the new economic-political system promises greater resilience to extreme situations of climate, war and global economic development.

It is clear that the decisive turning force in the transition period lies in the new socioeconomic formation that is crystallizing and the diverse 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 is 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.

Citation

Müller, Horst (2023): **The concept of a transformative social state economy**. Perspectives for a new fiscal, infrastructure and industrial policy. Initiative für Praxisphilosophie und konkrete Wissenschaft. Beiträge zur PRAXIS-Diskussion Heft 2-2023. Revised and updated May 2024.

<https://www.praxisphilosophie.de/the-concept-of-a-transformative-social-state-economy.pdf>