Marx’s Theory of Labor Vouchers: Could It Be Used in Socialist Countries?

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Labor vouchers are certificates that prove the amount of labor provided by laborers to society and are used to collect consumer goods from society that are equivalent to the amount of labor they have provided for the society. Labor vouchers are not currency and are not circulated.

Labor vouchers were first proposed by British utopian socialist R. Owen in the 1830s and were used in the fair exchange market for labor products Owen founded. Owen argued that replacing currency with labor vouchers that indicate a certain socially necessary labor time could eliminate exploitation and implement "fair exchange."

Owen's labor voucher experiment was based on direct social labor, and under the conditions of capitalist commodity economy, the experiment failed. On the basis of critically inheriting Owen's and other discussions on labor vouchers, Marx proposed the idea of ​​using labor vouchers as certificates for distributing personal consumer goods among laborers in socialist society. He pointed out that in socialist society, laborers can receive a certificate from society to prove how much labor they have provided (minus the labor they have performed for social funds), and they can use the certificate to receive a portion of consumer goods from social storage that is equivalent to the amount of labor they have provided.

The certificate for measuring labor and distributing personal consumer goods mentioned here is the meaning of labor vouchers mentioned by Marx many times. Marx's idea of ​​labor vouchers was established through analyzing and criticizing [the utopian](https://baike.baidu.com/item/%E7%A9%BA%E6%83%B3%E7%A4%BE%E4%BC%9A%E4%B8%BB%E4%B9%89/821744?fromModule=lemma_inlink" \t "_blank)socialists ' discussion on labor vouchers and "labor currency".

Marx believed that "in social public production, monetary capital no longer exists. Society distributes labor and means of production to different production departments. Producers may receive paper vouchers to take an amount equivalent to their labor time from the social consumer goods reserve. These vouchers are not currency. They are not circulated" (Volume 24 of " [Collected Works of Marx and Engels](https://baike.baidu.com/item/%E9%A9%AC%E5%85%8B%E6%80%9D%E6%81%A9%E6%A0%BC%E6%96%AF%E5%85%A8%E9%9B%86/9938790?fromModule=lemma_inlink" \t "_blank) ", page 397).

Judging from the practice of the proletarian revolution in the Soviet Union and China, since there are still two forms of [socialist public ownership](https://baike.baidu.com/item/%E7%A4%BE%E4%BC%9A%E4%B8%BB%E4%B9%89%E5%85%AC%E6%9C%89%E5%88%B6/7290976?fromModule=lemma_inlink" \t "_blank) and as well as multiple economic components, commodity production needs to develop, and currency cannot be abolished, that means the idea of ​​labor vouchers cannot be implemented today.

What is a labor voucher?

**Labor vouchers** are certificates that prove the amount of labor a worker has provided to society and that allow the worker to receive consumer goods from society that are equivalent to the amount of labor he has provided. Labor vouchers are not currency and are not circulated. Labor vouchers were first proposed by British utopian socialist R. Owen in the 1830s and were used in the fair exchange market for labor products he founded. Owen argued that replacing currency with labor vouchers that indicated a certain amount of socially necessary labor time could eliminate exploitation and implement "fair exchange." Owen's labor voucher experiment was based on direct social labor , and under the conditions of capitalist commodity economy , the experiment failed. On the basis of critically inheriting Owen's and others' theories on labor vouchers, Marx proposed the idea of ​​using labor vouchers as certificates for distributing personal consumer goods among workers in socialist society . He pointed out that in socialist society, workers can receive a certificate from society to prove how much labor they have provided (minus the labor they have done for social funds ), and with this certificate they can receive a portion of consumer goods from social reserves that is equivalent to the amount of labor they have provided. The certificate for measuring labor and distributing personal consumer goods mentioned here is the meaning of labor vouchers that Marx mentioned many times. [[1]](https://ltd.com/article/5374618753976223.html#_note-0)

The idea of ​​labor vouchers

**1. The Concept of Labor Vouchers Based on Commodity Production**

The basic contradiction of commodity economy must lead to a huge waste of social wealth , and a large number of commodity producers will suffer losses and even bankruptcy. Many utopian socialists and petty bourgeois economists are committed to designing plans to eliminate this contradiction. Owen's idea of ​​replacing currency with labor vouchers is one of such plans.

　　In 1832, Owen proposed a plan for a fair labor exchange market and a labor voucher system, and began to conduct experiments. According to Owen's plan, labor determines the value of commodities, and the value of commodities is measured according to the average labor of society. Labor vouchers are certificates that record the average labor time of producing commodities. The fair labor exchange market evaluates labor products according to the average labor time, and producers transfer labor products to the fair labor exchange market in exchange for corresponding labor vouchers; then use labor vouchers to exchange products that can meet their needs from the fair labor exchange market. These regulations do not seem to be much different from currency. The key difference is that the exchange of commodities and currencies must be based on the premise of maximizing consumer utility , while the exchange of commodities and labor vouchers is unconditional. For producers, commodities can be unconditionally converted into labor vouchers, and private labor can be unconditionally converted into social labor. The basic contradiction of commodities seems to be solved once and for all.

　　In fact, the basic contradiction of commodity economy already exists in the field of production, but it is only exposed in the field of circulation . Replacing currency with labor vouchers cannot eliminate this contradiction, but only changes the way the contradiction moves. The change in the way the contradiction moves is mainly manifested in the following aspects:

　　(1) **Contradiction transfer.** The transformation of commodities into labor vouchers does not prove the social nature of the labor that produces commodities. Therefore, this transformation only means that private labor is transferred from one person to another. Labor vouchers are just a voucher for private labor. After the fair labor exchange market accepts the commodities of producers, it must also use commodities to redeem labor vouchers. However, commodity producers regard labor vouchers as a social labor voucher. Only when the commodities in the fair labor exchange market can meet their utility maximization requirements will they use labor vouchers to exchange commodities.

Only by exchanging with labor vouchers can commodities in the fair labor exchange market prove their social nature of private labor and truly complete the transformation from private labor to social labor. Therefore, the intervention of labor vouchers in the commodity exchange process is nothing more than the transfer of the responsibility and liability for the transformation of private labor into social labor from producers to the fair labor exchange market. Labor vouchers flow out of the fair labor exchange market as private labor vouchers and flow into the fair labor exchange market as social labor vouchers. This logical contradiction in qualitative determination is the internal basis for the disillusionment of labor vouchers.

　　(2) **Contradictions are concentrated.** In the form of currency, commodity producers independently bear the responsibility and risk of transforming private labor into social labor, and the basic contradictions of the commodity economy are dispersed in every part of the economic system . In the form of labor vouchers, different commodity producers transfer the responsibility and risk of private labor and social labor to the fair labor exchange market, and the fair labor exchange market becomes the concentrated bearer of the basic contradictions of the commodity economy in the entire economic system.

(3**) Intensification of contradictions.** In the form of currency, every rational producer's production decision is based on the expectation of transforming private labor into social labor. This internal mechanism can better control the obstacles to transforming private labor into social labor within the scope of decision-making errors. Generally speaking, it will not cause a big shock to the operation of the entire social economy. In the form of labor vouchers, producers no longer need to consider whether private labor can be transformed into social labor.

As a result, a large number of labor products that do not meet social needs will surge out, and the contradiction between private labor and social labor will be sharply intensified. The fair labor exchange market can only accept and accumulate contradictions, and is completely unable to resolve contradictions. The inability of a large number of private labor products to be transformed into social labor products will inevitably lead to the bankruptcy of the fair labor exchange market. Owen's fair labor exchange market only lasted for two years before it was declared bankrupt in 1834. It should be said that this was a historical inevitability.

　　In short, on the basis of commodity economy, replacing money with labor vouchers is essentially to use private labor to impersonate social labor, to obliterate contradictions by covering them up, which is a kind of ingenious social magic. It is of course utopian to attempt to use this magic to solve practical social problems.

**2. The Concept of Labor Vouchers on the Basis of Non-Commodity Production**

　　Marx made a thorough criticism of the idea of ​​replacing money with labor vouchers on the basis of commodity production. However, Marx argued that after the demise of the commodity economy, the contradiction between private labor and social labor would no longer exist, and labor vouchers would replace money. **"In the public production of society, monetary capital no longer exists. Society allocates labor and means of production to different production departments. Producers may obtain paper vouchers to take an amount equivalent to their labor time from the social consumer goods reserve. These paper vouchers are not currency. They are not circulated."**

Marx's conception of labor vouchers, based on his scientific commodity theory and monetary theory, is much more profound than Owen's conception of labor vouchers.

In Marx's conception, under the condition of public ownership of the means of production, the production of various departments is decided by the society. Individual producers no longer have independent production decision-making power, and their labor is no longer private labor, but production labor carried out according to a unified plan, which directly constitutes social labor.

**"In a collective, in a society based on the common ownership of the means of production, producers do not exchange their products; the labor consumed in the production of products does not appear here as the value of these products, nor as a certain property of things they have. Because at this time, contrary to capitalism, individual labor no longer goes through a circuitous path, but exists directly as a component of total labor."**

If the labor of producers can really directly constitute the total social labor, Marx's conception should be reasonable.

However, there is an inherent logical contradiction in Marx's conception of labor vouchers.

The existence of labor vouchers indicates that producers have independent material interests and that labor is still a means of livelihood for people.

Otherwise, there is no need for labor vouchers to exist. When producers transform into consumers and use labor vouchers to exchange for social products , they must require that social products meet their utility maximization conditions.

Therefore, not all social products can be redeemed for labor vouchers. It can be seen that the labor that produces social products is not direct social labor. First of all, it is only a private labor that can be transformed into real social labor only through transactions with labor vouchers. Commodity economic relations have not disappeared, and the contradiction between private labor and social labor still exists. Yes, individual producers provide labor according to the unified will of society and produce collective products. Such labor can directly constitute part of collective labor without going through a circuitous path, but this collective labor is only collective private labor, not collective social labor.

The labor of producers can directly constitute collective labor in exchange for labor vouchers, but collective labor cannot be unconditionally transformed into social labor and redeem labor vouchers.

The consequences are:

(1) Low efficiency of production labor. In Owen's model, the transfer of private labor products to the fair labor exchange market needs to go through an evaluation process. The fair labor exchange market recognizes labor products not according to individual labor but according to social average labor . The difference between individual labor and social labor is borne by the producer. This mechanism stimulates producers to reduce the cost of products as much as possible and improve production efficiency to avoid difference losses and obtain difference profits. However, in Marx's model, the labor of producers can directly constitute collective labor without going through an evaluation process. The profit and loss caused by production labor is borne entirely by the collective. This mechanism stimulates producers to take idle time, waste resources, and even a series of unreasonable behaviors such as harming the public and enriching themselves, resulting in very low production labor efficiency.

(2) **The contradiction between private labor and social labor is highly concentrated and intensified.**

According to Marx's conception, there is only one unified decision-making body in the whole society, and all producers are internal members of this unified social body. There is no problem for transforming private labor into social labor. The risk and responsibility of transforming private labor into social labor are concentrated on the unified social body. No matter how highly centralized the decision-making power of social institutions is, and no matter how wide the scope of decision-making is, it is only a private decision relative to the social needs of consumers . Due to information barriers , this private decision cannot be consistent with the social needs of the disappearing in terms of variety, quality, quantity, etc.; due to motivation barriers, the amount of social labor represented by labor vouchers will inevitably be greater than the amount of social labor contained in labor products . Therefore, social institutions are unable to fulfill their responsibilities, and the internal contradictions encountered by Owen appear in a modified form in Marx's conception.

China and other socialist countries have constructed a planned economic operation system based on Marx's conception. Currency has become a labor voucher-like currency between state-owned enterprises .

But in the actual operation process, the State plan often cannot adapt to the complex and ever-changing social needs. Enterprises often pursue output or output value according to their own preferences, exceeding the state plan, or fail to complete the state plan due to lack of motivation. As a result, industry reports good news, commerce reports excellent performance, and a large backlog or shortage of products coexists. This series of peculiar economic phenomena is nothing more than a replay of Owen's fair labor exchange market on an extremely broad social and economic stage. The final disintegration of this system should be said to be a historical necessity.

In short, when producers do not have independent material interests , the commodity economy may disappear, but labor vouchers will no longer be necessary. When producers still have independent material interests, the commodity economy cannot disappear, and labor vouchers cannot exist.

Therefore, the concept of labor vouchers based on non-commodity production is also untenable theoretically. We can neither use labor vouchers to cover up the objective fact of the existence of the commodity economy nor use labor vouchers to eliminate the contradiction between private labor and social labor. The correct attitude can only be to solve the internal contradictions of the commodity economy in accordance with the internal laws of the operation of the commodity economy in order to promote the development of the social economy.

References

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