

## BOOK REVIEW

### **Che Guevara: Economics and Politics in the transition to Socialism**

BY CARLOS TABLADA

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#### **The Relevance of Che ...**

This well written book reveals Che Guevara as the revolutionary political economist many are unfamiliar with. At a time when the “Marxist-Leninist” regimes in Eastern Europe and Africa have lost sight of the political will to demonstrate the viability of socialist economics, this book shows that it’s not socialism that should be questioned but how to concretely build a socialist economic system that delivers the goods to the majority of people.

According to the author, Che grasped the ‘complex relationship between the base and the superstructure during the transitional period of socialism’. Che strongly believed that the development of a new economic order had to go hand in hand with the creation of a new socialist individual. The sweeping away of old capitalist ideas and values of personal ambition, individualism and selfishness had to be replaced with new values and social institutions in order to transform human relations in both the workplace and wider society.

In the case of Eastern Europe, the emphasis was placed on economics at the expense of the development of constant political education of the people. This demonstrates that the old habits and ideas lag behind the transformation of the economic base.

In October 1959 Che was named head of the Department of Industry and Agrarian Reform (INRA). He established the centralised ‘budgetary finance system’ to manage the economy. Mechanisms central to the operation of the system include: advanced accounting techniques, computer technology, programming production controls, use of budgetary measures and technical controls. However, Tablada points out that “Che was never of the opinion that the budgetary finance system was a finished product” but one which needed to be constantly perfected. Neither did he gloss over the basic weaknesses in the system; ‘lack of maturity’, ‘qualified cadres’ and ‘lack of widely disseminated information on the systems’, and ‘its tendency towards bureaucratism’. He saw a need to set real prices for the purpose of economic analysis, taking into consideration that the domestic price structure cannot be divorced from that of the world market. However, for Che ‘relative profitability would be merely one indicator in setting prices’ and ‘the evaluation of the management of an enterprise over a given period, measured by its success in lowering costs’ would be the real barometer of the performance of an enterprise.

It appears that bourgeois economists and pseudo-revolutionary economists in Eastern Europe and the Soviet Union have inauspiciously fallen to what Che described as the ‘pipe dream that socialism can be achieved with the help of the dull instruments left to us by capitalism (the commodity as the economic cell, profitability, individual material interest as a lever etc) can lead to a blind alley’. The present turn towards economic reforms in much of Eastern Europe are not only a bid to catch up with

Western economics but a very dangerous one. It seems this adoption of capitalist formulas is an attempt to smuggle in the rotten fruit of capitalism through the back door. However, Eastern Europe can learn from the painful economic experience of Africa's adoption of structural adjustment programmes which have failed to bring material prosperity.

A common argument from the mouths of capitalist spokesman in order to discredit socialism is that it destroys individual initiative and incentive. As regards material incentives Che was not against their use in specific conditions. However; he was clear that moral incentives were more important and that work had to be transformed into a 'moral necessity'. On the whole he was concerned that 'the new wage system encourage workers to raise their educational and technical level and, in this way, increase our people's overall cultural development'.

In the reorganization of the economy, society and the state, Che emphasized the urgency of training skilled and dedicated personnel This is one of the many problems Cuba faced in the first years of the revolution. These political, military, economic administrative 'cadres' are wholly committed to building a new society. 'Leadership by example, work as a human necessity, spirit of sacrifice, an austere life, human sensitivity, continual upgrading of skills, the ongoing need for ideological and political development, collective discussion and individual accountability' are the qualities of a new type of disciplined leadership necessary to direct the transition to socialism.

Tablada does not give some critical and concrete assessment of the Cuban economy post-Che which could have grounded much of Che's theoretical model in practical reality. However, he does present a cogent analysis. Indeed, there are lessons in this book which Africa could adapt to her own realities.