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Russia:

**from Revolution to
counter-revolution**

Foreword

by **Vsievolod Volkov**

(L. Trotsky's grandson)

At a moment of great confusion and disorientation among broad layers of the working class and the left in general, the publication of the book *Russia - from Revolution to Counter-revolution* is highly opportune. This is an excellent example of the absolute validity of revolutionary Marxist thought. Despite any imperfections, gaps, and errors which might be attributed to Marxism by

some, it is a fact that no other methodology or doctrine known to date possesses the necessary precision and clarity of analysis and interpretation to explain the historical events which we are witnessing, above all in the ex-Soviet Union and the other countries where a regime of state ownership of the means of production existed, but also, of course, in the capitalist states.

For more than a hundred years, the capitalists and their apologists have attempted, without success, to undermine and bury Marxism. But this incessant campaign only demonstrates its extraordinary vitality and revolutionary dynamism.

Obviously, it is difficult to imagine a better opportunity for the enemies of the working class and the defenders of the free market to associate themselves with the biggest lie of the 20th century, when Josef Vissarionivitch Djougachvili (Stalin) used the words "socialist" and "communist" to describe the degenerate and deformed workers' state, in which, as a result of the bloody Stalinist counter-revolution, state ownership of the means of production coincided with bureaucratic totalitarianism.

The present work makes one realise the extraordinary richness and profundity of dialectical materialism which captures historical and socio-economic processes

in transition, enabling us to get closer to their living dynamics, and not be deceived by erratic and static images of reality. The author's deep knowledge of Marxist theory, and particularly the thoughts and works of Leon Trotsky, leap from the written page. Such a knowledge is the fruit of a long life tenaciously dedicated to the meticulous study of Marxism both in theory and in everyday practice.

Ted Grant details the great contributions made to Marxism by the Russian revolutionary Leon Trotsky - especially his meticulous analysis and interpretation of the Bonapartist bureaucratic regime of Stalinism, and

shows how Trotsky's thesis set forth in *The Revolution Betrayed* more than half a century ago is in complete agreement with the present historical developments in the so-called socialist or ex-socialist countries. Trotsky pointed out that the fate of the Soviet Union, as a transitional state between capitalism and socialism, would be determined by the relationship of forces between the working class and the bureaucratic caste. If the latter were to continue in power, it would inevitably seek to restore capitalist order in those countries where a nationalised planned economy existed. On the other hand, if the working class were to carry out a political revolution, enabling it to take power back in its own hands, this would

prevent a return to capitalism and the Soviet Union would return to the initial course of October towards real socialism with the democratic administration of a planned society, without parasitic castes.

At the present time, the future of Russia is still not decided. The coin is still spinning in the air. However, there are not many examples of lasting reversals of the historical process in modern times.

The Stalinist bureaucratic counter-revolution was like a pirate attack on the high seas; the ship of Revolution was boarded and hijacked, and the entire

crew put to the sword. Stalin, the self-appointed great helmsman, together with his crew of usurpers struck out on an entirely new course, towards a sea of retreats, betrayals and the abandonment of Marxism, which later led inevitably to shipwreck.

To identify the present disintegration and chaos of the ex-Soviet Union and the total bankruptcy of the bloody, inefficient, and corrupt Stalinist regime with the end of Marxism and the socialist project, is yet another blatant falsification, which flows directly from the context of the merciless class struggle being unleashed against the exploited masses by imperialism and the

tottering bureaucratic post-Stalinist regimes.

The collapse of Stalinism has not weakened Marxism in the slightest. On the contrary. It will help the Soviet working class to climb out of the thick layer of fog, confusion and political disorientation into which it has been plunged after more than seventy years of lies and historical falsifications under the bureaucratic dictatorship of Stalinism. It will not take a long time for the masses to draw the necessary conclusions. They will inevitably learn. The movement can flare up unexpectedly, like a flash fire irrupting in the midst of an immense and parched

prairie, where it is whipped up by the wind. The masses will soon become convinced of the "marvels" of the free market and Mafia capitalism under the post-Stalinist bureaucracy. The working class of the ex-Soviet Union will come to understand fully the meaning and importance of the heroic struggle carried out by Leon Trotsky against the usurpers and gravediggers of the Russian Revolution and will once again take the road of genuine socialism, under the democratic administration of the working class, rejecting the one-party state and parasitic bureaucracies.

Now more than ever, Socialism or Barbarism is the great alternative which

confronts the overwhelming majority of the inhabitants of the Planet.

Vsievolod Volkov, Mexico City, March 1997.

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Russia:

**from revolution to
counter-revolution**

Introduction

by Alan Woods

"No matter what one thinks of
Bolshevism, it is undeniable that the
Russian Revolution is one of the greatest

events in human history, and the rule of the Bolsheviki a phenomenon of worldwide importance." John Reed, 1st January 1919. (J. Reed, *Ten Days that Shook the World*, p. 13.)

There are moments in world history which represent decisive turning-points. We are living at just such a juncture. Whether you are in favour or against the October Revolution, there can be no doubt whatsoever that this single event changed the course of world history in an unprecedented way. The entire twentieth century was dominated by its consequences. This fact is recognised even by the most conservative commentators and those hostile to the

October Revolution. Now, the collapse of Stalinism and the attempt to put the clock back 80 years is a transformation of no lesser significance. What is the balance-sheet of these great events? What implications do they have for the future of humanity? And what conclusions should be drawn from them?

For the best part of three generations, the apologists of capitalism vented their spleen against the Soviet Union. No effort or expense was spared in the attempt to blacken the image of the October Revolution and the nationalised planned economy that issued from it. In this campaign, the crimes of Stalinism came in very handy. The trick was to

identify socialism and communism with the bureaucratic totalitarian regime which arose from the isolation of the revolution in a backward country. But these slanders are baseless. The regime established by the October Revolution was neither totalitarian nor bureaucratic, but the most democratic regime yet seen on earth - a regime in which, for the first time, millions of ordinary men and women overthrew their exploiters, took their destiny in their own hands, and at least began the task of transforming society. That this task, under specific conditions, was diverted along channels unforeseen by the leaders of the revolution does not invalidate the ideas of the October Revolution, nor does it

lessen the significance of the colossal gains made by the USSR for the 70 years that followed.

The hatred of the Soviet Union shared by all those whose careers, salaries and profits derived from the existing order based on rent, interest and profit, is not hard to understand. It had nothing to do with the totalitarian regime of Stalin. The same "friends of democracy" had no scruples about praising dictatorial regimes when it suited their interests to do so. The "democratic" British ruling class was quite happy to see Hitler coming to power, as long as he put down the German workers and directed his attentions to the East. The same people

expressed their fervent admiration for Mussolini and Franco, right up to 1939. In the period after 1945, the Western "democracies", in the first instance the USA, actively backed every monstrous dictatorship, from Somoza to Pinochet, from the Argentine junta to Suharto, provided they based themselves on private ownership of the land, banks and big monopolies.

Their implacable hostility to the Soviet Union was not, then, based on any love of freedom, but on naked class interest. They hated the USSR, not for what was bad in it, but precisely for what was positive and progressive. They objected, not to Stalin's dictatorship (on the

contrary, the crimes of Stalinism suited them very well as a convenient means of blackening the name of socialism in the West), but to the nationalised property forms which were all that remained of the gains of October. This was dangerous. The Revolution radically abolished private ownership of the means of production. For the first time in history, the viability of a nationalised planned economy was demonstrated, not in theory but in practice. Over one-sixth of the earth's surface, in a gigantic, unprecedented experiment, it was proved that it was possible to run society without capitalists, landowners and moneylenders.

Nowadays, it is fashionable to belittle the results achieved, or even to deny them altogether. Yet the slightest consideration of the facts leads us to a very different conclusion. Despite all the problems, deficiencies and crimes (which, incidentally, the history of capitalism furnishes us in great abundance), the most astonishing advances were achieved by the nationalised planned economy in the Soviet Union in what was, historically speaking, a remarkably short space of time. This is what provoked the fear and loathing which characterised the attitude of the ruling classes of the West. This is what compels them even now to indulge in the most shameless and unprecedented

lies and calumnies (of course, always under the guise of the most exquisite "academic objectivity") about the past.

The bourgeois have to bury once and for all the ideals of the October Revolution. Consequently, the collapse of the Berlin Wall signalled an avalanche of propaganda against the achievements of the planned economies of Russia and Eastern Europe. This ideological offensive by the strategists of Capital against "Communism" was a calculated attempt to deny the historical conquests that issued from the Revolution. For these ladies and gentlemen ever since 1917 the Russian Revolution was a historical aberration. For them, there can

only possibly be one form of society. Capitalism in their eyes had always existed and would continue to do so. Therefore, there could never be any talk of gains from the nationalised planned economy. The Soviet statistics are said to be simply exaggerations or falsehoods.

"Figures can't lie, but liars can figure." All the colossal advances in literacy, health, social provision, were hidden by a Niagara of lies and distortions aimed at obliterating the genuine achievements of the past. All the shortcomings of Soviet life - and there were many - have been systematically blown up out of all proportion and used to "prove" there is

no alternative to capitalism. Rather than advance, there was decline, they now say. Rather than progress, there was regression. "It has been claimed that the USSR in the eighties was as far behind the United States as was the Russian Empire in 1913," writes economic historian, Alec Nove, who concludes that "statistical revisions have had a political role in de-legitimising the Soviet regime" (Alec Nove, *An Economic History of the USSR*, p. 438.)

Ironically, this rewriting of history reminds one forcibly of the old methods of the Stalinist bureaucracy which placed history on its head, turned leading figures into non-persons, or

demonised them, as in the case of Leon Trotsky, and generally maintained that black was white. The present writings of the enemies of socialism are no different, except that they slander Lenin with the same blind hatred and spitefulness that the Stalinists reserved for Trotsky. Some of the worst cases of this kind are to be found in Russia. This is not surprising, for two different reasons: firstly, these people have been raised in the Stalinist school of falsification, which based itself on the principle that truth was only an instrument in the service of the ruling elite.

The professors, economists and

historians were, with a few honourable exceptions, accustomed to adapt their writings to the current "Line". The same intellectuals who sang the praises of Trotsky the founder of the Red Army and leader of the October Revolution a few years later had no qualms about denouncing him as an agent of Hitler. The same writers who fawned on Joseph Stalin the great Leader and Teacher soon jumped the other way when Nikita Khrushchev discovered the "personality cult". Habits die hard. The methods of intellectual prostitution are the same. Only the Master has changed.

There is also another quite separate reason. Many of the present nascent

capitalists in Russia are themselves members of the old nomenklatura, people who not long ago carried a Communist Party card in their pocket and spoke in the name of "socialism". In fact, they had nothing to do with socialism, communism or the working class. They were part of a parasitic ruling caste which lived a life of luxury on the backs of the Soviet workers. Now, with the same cynicism that always characterised these elements, they have openly gone over to capitalism. But this miraculous transformation cannot be consummated so easily. These people feel a compelling need to justify their apostasy by heaping curses on what they

professed to believe in only yesterday. By these means they try to throw dust in the eyes of the masses, while salving their own consciences - always supposing that they possess such a thing, which is, in fact, highly improbable. But even the worst scoundrel likes to find some justification for his actions.

Against this unprecedented campaign of lies and slander, it is essential that we put the record straight. We do not wish to over burden the reader with statistics. However, it is necessary to demonstrate beyond any doubt the tremendous advances of the planned economy. Despite the monstrous crimes of the bureaucracy, the unprecedented

advances of the Soviet Union represent not only a historic achievement, but are, above all, a glimpse of the enormous possibilities inherent in a nationalised planned economy, especially if it were run on democratic lines. They stand out in complete contrast to the horrific collapse of the productive forces in Russia and Eastern Europe in the recent period. The movement in the direction of capitalism has been a nightmare, rapidly impoverishing the mass of the population.

As always, it is not sufficient for the ruling class to defeat a revolution. It is necessary to bury it under a mountain of dead dogs, so that not even the memory

of it will remain to inspire the new generations. There is nothing new in this. After the Restoration of the monarchy in 1660, all the memories of the English bourgeois revolution had likewise to be erased from the collective memory. The monarchy of Charles II officially dated its reign from the 30th January 1649, the execution of Charles I, and all references to the republic and its revolutionary deeds were to be obliterated. The upstart Charles II, in a fit of revenge, went so far as to dig up Oliver Cromwell's corpse, which was then subjected to a public hanging at Tyburn. The self-same malice and spite, born of fear, lies behind the present efforts to bury the gains and

revolutionary significance of the Russian Revolution. The systematic falsification of history now being undertaken by the bourgeoisie, although somewhat more subtle than the posthumous lynchings of the English monarchists, is in no way morally superior to them. Ultimately, it will prove no more effective. The locomotive of human progress is truth, not lies. And the truth will not remain buried for all time.

Unprecedented advance

What happened in the Soviet Union can only be explained by using the Marxist method of analysis. Already in the pages of the Communist Manifesto, Karl Marx

and Frederick Engels explained that the motor force of human history is the development of the productive forces. From this point of view, the nationalised planned economy in the USSR furnished proof of the most extraordinary vitality for decades. Indeed, such a transformation is unprecedented in the annals of human history.

Only the Marxists were capable of explaining the processes that were unfolding in Russia, not *ex post facto*, but decades in advance. By contrast, the writings of both the bourgeois critics of the USSR and its Stalinist friends were characterised by the most complete absence of any understanding. From

diametrically opposed points of view, they arrived at the same erroneous conclusion - that the Stalinist regime in the Soviet Union was a virtually indestructible monolith, which could continue to exist for as long as one could see.

Even before the second world war, when most capitalist pundits, as well as apologists for Stalin, saw no chink in the armour of the "monolithic" regime in Russia, Leon Trotsky, the Bolshevik leader exiled by Stalin, argued that either Stalinism would be overthrown by a political revolution of the working class or, under certain conditions, could revert to capitalism. While Marxists

foresaw and explained the crisis of Stalinism, not even the greatest genius could have predicted how that crisis would unfold. That should not surprise us. The German poet Goethe once wrote: "Theory is grey, my friend, but the tree of life is evergreen." The actual working out of the historical process is enormously complicated, not least because it involves what Marxists call the subjective factor, the conscious intervention of human beings. To predict in detail how the historical process develops would require not just scientific perspectives but a crystal ball, something which, despite all the advances of modern science, is still not available to us.

Under frightful conditions of economic, social and cultural backwardness, the regime of workers' democracy established by Lenin and Trotsky was replaced by the monstrously deformed workers' state of Stalin. This was a terrible reverse, signifying the liquidation of the political power of the working class, but not of the fundamental socio-economic conquests of October, the new property relations, which had their clearest expression in the nationalised planned economy. The viability of the new productive system was put to a severe test in 1941-45, when the Soviet Union was invaded by Nazi Germany with all the combined resources of Europe at its disposal.

Despite the loss of 27 million lives, the USSR succeeded in defeating Hitler, and went on, after 1945, to reconstruct its shattered economy in a remarkably short space of time, transforming itself into the world's second power. From a backward, semi-feudal, mainly illiterate country in 1917, the USSR became a modern, developed economy, with a quarter of the world's scientists, a health and educational system equal or superior to anything found in the West, able to launch the first space satellite and put the first man into space.

Such astonishing advances in a country which set out from a level more backward than present-day India must

give us pause for thought. One can sympathise with the ideals of the Bolshevik Revolution, or oppose them, but such a remarkable transformation in such a short space of time demands the attention of thinking people everywhere. Of course, the collapse of Stalinism is now triumphantly held up by the enemies of socialism as the final "proof" that nationalisation and planning do not work, and that consequently the human race must henceforth reconcile itself to the eternal domination of the laws of the "Market", for ever and ever, amen. This is, indeed, the essential message of the celebrated "End of History" of Francis Fukuyama. Yet history, in the Marxist sense, has by no means ended, and the

future of world capitalism is no more secure now than it was before the fall of the Berlin Wall. In fact, it is much less so.

In a period of 50 years, the USSR increased its gross domestic product nine times over. Despite the terrible destruction of the second world war, it increased its GDP five times over from 1945 to 1979. In 1950, the GDP of the USSR was only 33 per cent that of the USA. By 1979, it was already 58 per cent. By the late 1970s, the Soviet Union was a formidable industrial power, which in absolute terms had already overtaken the rest of the world in a whole series of key sectors. The USSR

was the world's second biggest industrial producer after the USA and was the biggest producer of oil, steel, cement, asbestos, tractors, and many machine tools. The Soviet space programme was the envy of the world.

Nor is the full extent of the achievement expressed in these figures. All this was achieved virtually without unemployment or inflation.

Unemployment like that in the West was unknown in the Soviet Union. In fact, it was legally a crime. (Ironically, this law still remains on the statute books today, although it means nothing.) There might be examples of cases arising from bungling or individuals who came into

conflict with the authorities being deprived of their jobs. But such phenomena did not flow from the nature of a nationalised planned economy, and need not have existed. They had nothing in common with either the cyclical unemployment of capitalism or the organic cancer which now affects the whole of the Western world and which currently condemns 35 million people in the OECD countries to a life of enforced idleness.

Moreover, for most of the postwar period, there was little or no inflation. The bureaucracy learned the truth of Trotsky's warning that "inflation is the syphilis of a planned economy". After

the second world war for most of the time they took care to ensure that inflation was kept under control. This was particularly the case with the prices of basic items of consumption. Before perestroika (reconstruction), the last time meat and dairy prices had been increased was in 1962. Bread, sugar and most food prices had last been increased in 1955. Rents were extremely low, particularly when compared to the West, where most workers have to pay a third or more of their wages on housing costs. Only in the last period, with the chaos of perestroika, did this begin to break down. Now, with the rush towards a market economy, both unemployment and inflation have soared to unprecedented

levels.

The USSR had a balanced budget and even a small surplus every year. It is interesting to note that not a single Western government has succeeded in achieving this result (as the Maastricht conditions prove), just as they have not succeeded in achieving full employment and zero inflation, things which also existed in the Soviet Union. The Western critics of the Soviet Union kept very quiet about this, because it demonstrated the possibilities of even a transitional economy, never mind socialism. Now that the Russian people are sampling the joys of capitalism, they are finding out what it means to have a huge and

uncontrolled budget deficit, meaning that wages are not paid for months on end.

The central question, of course, is why the USSR collapsed. The author explains the whole process in great detail, and shows how in the period after 1965, the growth rate of the Soviet economy began to slow down. Between 1965 and 1970, the growth rate was 5.4 per cent. Over the next seven year period, between 1971 and 1978, the average rate of growth was only 3.7 per cent. This compared to an average of 3.5 per cent for the advanced capitalist economies of the OECD. In other words, the growth rate of the Soviet Union was no longer much higher than that achieved under

capitalism, a disastrous state of affairs. As a result, the USSR's share of total world production actually fell slightly, from 12.5 per cent in 1960 to 12.3 per cent in 1979. In the same period, Japan increased its share from 4.7 per cent to 9.2 per cent. All Khrushchev's talk about catching up with and overtaking America evaporated into thin air. Subsequently the growth rate in the Soviet Union continued to fall until at the end of the Brezhnev period, (the "period of stagnation" as it was baptised by Gorbachov) it was reduced to zero.

Once this stage had been reached, the bureaucracy ceased to play even the relatively progressive role it had played

in the past. This is the reason why the Soviet regime entered into crisis. This is now common knowledge. But to be wise after the event is relatively easy. It is not so easy to predict historical processes in advance. But this was certainly the case with Ted Grant's remarkable writings on Russia, which accurately plotted the graph of the decline of Stalinism and predicted its outcome a quarter of a century before the fall of the Berlin Wall. Here alone we find a comprehensive analysis of the reasons for the crisis of the bureaucratic regime, which even today remains a book sealed with seven seals for all other commentators on events in the former USSR.

The attitude of the capitalist "experts" we have already commented on. No surprises here. Socialism (or communism) failed. End of story. But the commentaries of the Labour leaders, both left and right, are not much better. The rightwing reformists as always merely echo the views of the ruling class. From the left reformists we get an embarrassed silence. The leaders of the Communist Parties in the West who yesterday uncritically supported all the crimes of Stalinism now try to distance themselves from a discredited regime, but have no answer to the questions of the Communist workers and youth who demand serious explanations. And this is absolutely necessary, for unless we

understand the past and draw all the necessary lessons from it, we shall never be in a position to confront the great tasks which the future will pose. The present work not only asks questions, but provides answers.

The fall of the Berlin Wall was heralded in the West as the beginning of a new dawn. It was regarded by capitalist commentators and apologists as "the final victory" of capitalism over socialism. "The Soviet Union is no more," wrote Martin McCauley. "The great experiment has failedÉ Marxism in practice has failed everywhere. There is no Marxist economic model capable of competing with capitalism." (M.

McCauley, *The Soviet Union 1917-1991*, pp. XV and 378.) "We Won!" exclaimed the editorial of *The Wall Street Journal* (24/5/89). According to Francis Fukuyama: "The period of post-history has arrivedÉ Liberal democracy has triumphed, and mankind has reached its highest wisdom. History has come to an end."

The then American President George Bush triumphantly announced the creation of a "New World Order" under the domination of US imperialism. But very rapidly this initial euphoria evaporated. All that was fixed and solid in the cold war relations between the different powers has dissolved. In its

place has come instability, uncertainty and conflict. In February 1990, *The Wall Street Journal* in a series of articles on "The 1990s and Beyond" concluded that "there is every reason to believe that the world of the 1990s will be less predictable and in many ways more unstable than the world of the last several decades".

"The end of the cold war does not mean a world at peace," stated *The Economist* (8/2/92), "on the contrary, it may for a time mean an even more violent place." Western leaders are terrified at the thought of the Balkanisation of the former Soviet Union, a situation the former US Foreign Secretary, James

Baker, likened to "Yugoslavia, but with nuclear weapons". As one Russian commentator, Tatyana Koryagina, explained: "From the social and economic point of view, there's nothing to be glad about. The political disintegration of the Union, which now appears final, will aggravate the crisis and increase social tensions. Soon we will be facing a catastrophe." She concludes, "É at the confluence of these we have the makings of a social revolution". (*Morning Star*, 2/1/92.)

On the eve of the twenty-first century, the strategists of capital look forward to the future with deep foreboding. New economic, social and political

contradictions are piling up on top of older contradictions. We can now assert with unshakeable confidence that the collapse of Stalinism was only a prelude to a new period of crisis for capitalism which will make the convulsions of the East, and what capitalism has experienced in the past, look like a Sunday tea party by comparison.

"Capitalism had won, and communism had lost," stated the American magazine *Newsweek* (17/6/96). "Or so we had thought."

Despite all the lavish promises of milk and honey that followed the collapse of Stalinism by the Western leaders, the move to introduce capitalism into the

former Soviet Union brought with it a nightmare for the mass of the population. The gains of the October Revolution are being systematically dismantled, leading to an unprecedented collapse of the productive forces. It comes as no surprise that the same Western observers who exaggerated every defect of the Soviet economy, and deliberately suppressed all evidence of its successes, remain stubbornly silent about these glorious achievements of the market economy.

Not since the Dark Ages after the collapse of the Roman Empire has Europe seen such an economic catastrophe in peacetime. In particular,

the collapse of production in Russia resembles the effects of a massive defeat in war, or, more correctly, in two wars. It has no parallel in modern history. In the last six years production has plummeted by around 60 per cent. It can only be described as a historic wipe-out of productive technique and industry. The steep fall in American production of 30 per cent in the Great Depression of 1929-33 was relatively minor by comparison. Each year of life in Russia is equivalent to the deepest depression ever experienced in the West. In 1996, the GDP fell by a further 6 per cent. Industrial output was down by 5 per cent and agricultural output by 7 per cent. Output in light manufacturing plunged by

28 per cent, and in the construction materials industry by 25 per cent. Chemical and petro-chemical production declined by 11 per cent and new housing construction by 10 per cent. Russia's 1996 grain harvest was the third smallest in 30 years. Nor is Russia's decline the worse case. In the five years to 1994, the economies of the ex-republics of the Soviet Union have plummeted by up to, in the case of Georgia, an astonishing 83 per cent. Since then, there have been further falls.

A regime of decline

In 1936 Leon Trotsky predicted that "the fall of the present bureaucratic

dictatorship, if it were not replaced by a new socialist power, would thus mean a return to capitalist relations with a catastrophic decline of industry and culture". (Trotsky, *The Revolution Betrayed*, p. 251.) The last six years have provided ample proof of this.

One of the features of the present situation is the fashion for inventing a whole new language to disguise the reality of socially disastrous policies. Thus we have "downsizing" and "outsourcing" in the West. And now we have a Big Bang in preparation in Russia. These smug euphemisms remind one of the "Newspeak" of George Orwell's *Nineteen Eighty-Four*, where

the Ministry of Plenty presides over shortages, the Ministry of Peace wages permanent war, and the Ministry of Love represents the secret police! What this "Big Bang" would entail is the closure of all "unprofitable" plant and industry, the ending of all state subsidies, and a rapid transition to capitalism. Such a prospect would result in the closure of 40 per cent of Russian industry and around 25 million unemployed. The misery of today would be nothing compared to this scenario.

Jonathan Hoffman, international economist at Credit Suisse First Boston, adds this pearl of wisdom: "Nobody promises an easy ride. Russia, unlike

any nation this century, faces the collapse of empire, the collapse of ideology, the collapse of political institutions, and the collapse of the economy. But through it all, one is going to see the economy transformed and that's going to continue."

In a gross understatement, Anthony Robinson writing in the *Financial Times* (11/11/94) says: "The pain has been greater than originally imagined." Nevertheless that didn't prevent this organ of finance capital demand far greater pain in its editorial a month earlier (7/10/94): "There is no middle way - only a choice between a Big Bang stabilisation and social economic

collapseÉ Sooner or later, they would have to demand the kind of sacrifices from their people which they have not so far had to make." Keynes once remarked, when someone talked about long term solutions, "in the long run we're all dead". A leading bourgeois representative, Sergei Aleksashenko, who was deputy minister of finance, summed up their perspective: "When people ask me what will happen, I always say that in 20 years it will be all right."

The present bourgeois government will not have 20 years to complete its counter-revolution and consolidate its position. Despite the enrichment of a tiny

elite at the top, the mass of the population has gained nothing from the "reforms". Opinion polls have showed big majorities against the market economy. An opinion poll in 1994, saw support for reform fall from 40 per cent five years previously, to 25 per cent then. The same poll found a majority believing privatisation to be "legalised theft undertaken for the benefit of the nomenklatura and criminals". A more recent opinion poll conducted by the US International Foundation of Electoral Systems in November 1995 found that three-quarters were deeply dissatisfied with the current situation. Only 20 per cent thought the economy would improve over the next two or three years. And

significantly, more than half wanted the re-establishment of state control over the economy. (*Financial Times*, 29/11/95.)

Three months earlier, a poll by the All-Russian Centre for the Study of Public Opinion and the University of Strathclyde reproduced in the *Financial Times* (17/8/95), revealed that two-thirds assessed positively the pre-perestroika period, compared with just 50 per cent in 1992. A third wanted the return of the Stalinist regime, while 10 per cent said the return of the Tsar would be better. In an all-Russian survey published in *Segodnya* (24/1/97), 48 per cent of respondents agreed or were inclined to agree with the proposition

that "socialism is preferable to capitalism as a system for Russia." Those that disagreed or were inclined to disagree, numbered 27 per cent, while the remainder took an intermediate position. A figure of 43 per cent agree or were inclined to agree that Russia's economy should develop mainly on the basis of state rather than private property, while 19 per cent took the opposite view. Following on from similar experiences in Lithuania, Ukraine, Poland, Hungary, Rumania and East Germany, in the December 1995 Duma elections in Russia, those parties that stood for reform were humiliated. It was a massive victory for the Communist Party and their allies,

pushing the nationalists into second place. The results sent alarm bells ringing across the capitalist world.

The magazine *Newsweek* (17/6/96) admitted: "The harshness of the transition has produced fury. In the coalmining regions of northern Russia, men in the pits went months without getting paid earlier this year. Many pension payments have also been late. If capitalism doesn't stand for a decent day's pay for a decent day's work - or a commitment to make good on obligations to retirees - 'then what does it stand for?' asks a bitter Lyudmila Sakharova." The economic crisis has been accompanied by a frightful collapse in living

standards. A large proportion of the population live in conditions of poverty not seen since the war. Wages are not paid for months on end as a result of the huge debts accumulated by state-owned enterprises and the collapse of the central plan.

In 1995 alone real wages fell by almost 20 per cent. "I already live on bread and tea. I haven't seen meat in years," says Fainia Moligina, a 67 year old pensioner who says she gets just 160,000 roubles (£22) a month. "If prices go up, there will be only starvation." A loaf of black bread then cost around 2,200 roubles (30p) in Moscow, but with the worst harvest for 30 years, experts from the

Ministry of Agriculture warned that the price could quickly rise to 4,750 roubles (64p). The collapse in living standards is far from complete. Inflation continues to eat away at wages and pensions. But millions only receive them after months of delay. "Total payment of wage arrears to government workers and of back pensions is absolutely unreal," revealed the economics minister, Yevgeny Yasin. (*The Guardian*, 27/5/96.)

This rapid impoverishment has meant untold misery and suffering for the mass of society. During the period of reform, real wages in Russia fell by half. Today, millions of Russians face malnutrition, if not actual hunger. According to the State

Statistics Committee's annual report, almost 32 million people were receiving less than the government-defined "subsistence minimum" income of about US\$75 a month at the end of 1996. The vast majority spend every waking hour trying to scrape a living, just to survive. But this is only one side of the picture. The move towards the market economy has created a rich elite of nascent capitalists, recruited from the old Communist nomenklatura, who are engaged in corruption, extortion, and the plunder of state industries.

They represent the nascent Russian bourgeoisie - the new class of spivs, black marketeers, ex-bureaucrats and the

Mafia who are eager to consolidate their power, privileges and income. Rather than "good old" capitalist competition, they revert to death threats and assassination to eliminate business rivals. Their motto is: Get Rich Quick! "At the top end of the market," comments the Financial Times (7-8/10/95), "glitzy supermarkets sell live lobster and expensive champagnes for the country's new rich. There are ready buyers for \$2,000 dresses in Russia's shiny new fashion boutiques, and the latest Mercedes cars and stretch limousines now cruise Moscow's streets." The desperate position of the masses contrasts with the ostentatious wealth of the nascent bourgeoisie and its hangers-

on. The fleets of cream-coloured Mercedes, the glittering fashion houses stand in insulting contrast to the majority struggling to survive. The consequences of this are not lost on the more intelligent Western observers:

"The growing distance between rich and poor," writes the *Financial Times* (10/4/95), "is also more shocking to Russian eyes than to Western ones because it has replaced a communist order in which the currency of social status was a political power rather than money and the elites were careful to mask their privileges with paeans to the virtues of the working class."

"For these reasons, the increasingly deep divide between the winners and losers created over the past three years by Russia's traumatic economic and political transformation is emerging as the most important underlying factor in the country's struggle to determine how to move forward." The Russian government estimates that apart from the foreign bank accounts and property, there may be as much as \$20 billion in US dollar bills stashed away. Reflecting this new bourgeois culture, Moscow now has the highest concentration of gambling casinos in Europe.

But there is another side to the coin. Poverty has become epidemic. In St

Petersburg more than 50,000 souls are living on the streets. In the capital, Moscow, between 50,000 and 100,000 people sleep rough every night. Begging has reached plague proportions. Under present conditions the homeless are denied the right to a propiska, a residence permit, without which no person has the right to work, medical care or state benefits. These downtrodden people can still be jailed for up to two years for vagrancy, begging or "leading a parasitical life". Old age pensioners, many of whom defended the city during the Nazi siege, are so desperate that a number live on the city's rubbish dumps. A growing number have been swindled out of their homes by the

Mafia. Destitution has meant unimaginable scenes of distress.

Recently a homeless old woman was sentenced to two years hard labour for stealing a pair of spectacles.

The capitalist market has brought with it all the worst features of bourgeois society: destitution, homelessness, unemployment, violent crime and increased alcoholism, while destroying the welfare services. The savage cuts in funding have left the health service reeling from one crisis to another. Along with the growth of deprivation has come illness and disease. Alcoholism, which reached alarming proportions under Stalinism, has become an epidemic.

Vodka consumption has risen steeply since drinking curbs were eased in 1991 and the subsequent liberalisation of trade. It has been estimated that the Russian population of 150 million now consumes substantially more vodka each year than the 280 million of the USSR in the late 1980s.

More than 25 per cent of St Petersburg's homeless admit to drinking Belaya Shapka (cleaning fluid). In winter, hundreds of these outcasts often fill up with cheap vodka and lie down in the freezing cold from which many never awake. At the same time a Korean restaurant in Alma-Ata charges \$100 a table, while a four star hotel room in

Moscow can cost more than \$600 a night. These are the wonders that the market economy has wrought.

A harrowing picture of Russian life was vividly portrayed in an article by journalist Neil MacKay: "In the winter of 1993, more than 1,000 homeless people were lucky. The government actually acknowledged their existence - when they cleaned their frozen dead bodies off the sidewalks." The break-up of the Soviet empire shook Russia to its foundations, the social welfare net collapsed and the ensuing chaos created the 'new poor'. Thousands of former prisoners drift into homelessness on their release from 'the zones' - Russian

penal colonies - and find themselves in a twilight world of numbing degradation. Ex-convicts can be seen shivering on street corners, drinking pints of vodka with refugees of the Afghan war, runaway children and the insane and infirm." (*The Big Issue in Scotland*, 8-21/12/95.)

According to the World Bank's recent report, one-third of the population live below the poverty line. It says income distribution is now as unequal as Argentina and the Philippines. The 43 per cent fall in real wages between 1991 and 1993, combined with price liberalisation, has meant increasing numbers of people cannot afford the

minimum subsistence basket, estimated in November 1994 at about \$30 a month. Nochlezhka (Night Shelter), the organisation for the homeless, estimates that the real number of Russians living below the poverty line is a staggering 80 per cent - far in excess of the World Bank figure. It says that only 3 per cent of available housing goes to those on the waiting lists, which average a 15 year wait. The rest is picked over by bureaucrats in the know. The Mafia has a controlling interest. Nobody escapes the extortion and racketeering. Even individuals who struggle to earn a few roubles selling some pitiful possessions in the street are forced to pay tribute of 20 per cent.

At the opposite pole to the obscenely rich, a growing number are being pushed into absolute misery. "Teenage girls aspire to prostitution, and men carry guns. Everybody is suffering," writes MacKay. Destitute youth are forced into thieving Fagin-style gangs by the Mafia, with little hope of escape. Alongside the scourge of alcoholism, they are likely to fall prey to a disease few will escape: tuberculosis. "Thousands are affected with the killer disease, but treatment can do little to save them. What good is medicine, ask Nochlezhka workers, when you're sleeping in a bin-liner?"

'Capitalism can seriously damage your health'

As a direct corollary of the collapse of living standards, we witness a sharp decline in health for the mass of the population. Newsweek described life expectancy as "the ultimate indicator of a nation's overall economic health". Russia's present level is even worse than India, Pakistan and other developing countries and it still continues to fall. By comparison, at the height of the crisis under Stalinism, life expectancy for USSR in 1987 still averaged 65.1 years for men and 73.8 for women. In Britain, by comparison, the present male life expectancy is 74 years. It is not surprising that the Financial Times (14/2/94) carried a front page article with the title "Russia

faces population crisis as death rate soars". The article explains that "in the past year alone, the death rate has jumped 20 per cent, or 360,000 deaths more than in 1992. Researchers now believe that the average age for male mortality in Russia has sunk to 59 - far below the average in the industrialised world and the lowest in Russia since the early 1960s".

An article in the US magazine *Time* (27/6/94) commented: "For many East Europeans the age of freedom is turning into the worst of times since the second world war. Eastern Europe is going through a health crisis of dire proportions: demographers and health

officials report rates of death and childlessness on a scale normally seen only in wartime. Ailments of both body and mind are near epidemic magnitude. In several countries, including Russia, the population is actually shrinking. 'The drop is catastrophic,' says Regine Hildebrandt, a minister in the state government of Brandenburg, 'it is like war.'

"In Russia, Bulgaria, Estonia and Eastern Germany, deaths are outnumbering births, in some areas 2 to 1. Life expectancy in nearly every part of the East is dropping, especially among men, at a time when even the poorest third world countries are

recording steady increases. In Hungary the average is 65 for men and 74 for women, in contrast to 67.3 and 75 in 1975 and 73.4 and 81.8 for French men and women today. Death rates in Russia have soared 30 per cent since 1989, with men bearing the brunt, says demographer Murray Feshbach of Georgetown University. By his estimate, life expectancy for Russian men has fallen to 59, about the same as in Pakistan." And it goes on to quote Nicholas Eberstadt, a researcher at the American Enterprise Institute in Washington: "In the past, such abrupt shocks were observed in industrial societies only during wartime."

These figures are all the more appalling when we bear in mind that the Soviet Union attained levels of health care and life expectancy as good as many advanced capitalist countries. In order to prove this assertion we do not even have to cite the USSR. To see the contrast with a planned economy, even one with a relatively backward economy, just compare the situation in Cuba which Time mentions. In spite of the criminal blockade by which Washington seeks to throttle Cuba, the Pan-American Health Organisation (PAHO), a branch of the World Health Organisation, describes Cuban health care as "better than that provided by the rest of the Americas". In fact, people come to Cuba even from

such countries as Sweden to obtain treatment in certain fields of medicine.

Although it suffers from a critical shortage of medications and medical supplies as a result of the blockade, Cuba can still boast of having 51,000 doctors - 1 for 231 inhabitants. "Despite the difficulties, however," Time admits, "Cuba's mortality rate for infants and children under five continues to improve. At 9.4 deaths per 1,000 infants last year, Cuba's rate is surpassed only by Canada's (7 per 1,000 in 1992) and the US's (9 per 1,000) in the western hemisphere, according to PAHO."

The situation in Russia at the present

time is very different. Disease, suicide, murder, inadequate food, despair, have combined with the demolition of the health service to reduce Russia to third world levels of health. According to Rabochaya Tribuna: "The majority of Russians are chronically undernourished. The deficit of high quality protein is 25 per cent and vitamins up to 50 per cent. The energy deficit is around 20 per cent." The death rate for Russian males is related to suicide, murder, bad food and bad conditions and also to the general lack of perspectives and loss of hope for the future.

Diseases that had been previously

eliminated have began to reappear: cholera, diphtheria, dysentery, anthrax and Siberian malignant anthrax. "These infectious diseases, which have sprung up everywhere from Leningrad region on Russia's north-western rim to cities on the Pacific coast, have become so prevalent that one Moscow newspaper has created an 'epidemics' column, which informs readers of the day's newest sickness," reveals the *Financial Times* (14/9/94).

The World Health Organisation (WHO) announced that there was an alarming epidemic of diphtheria in the former USSR. "Diphtheria, regarded as a childhood disease, appeared to have

been defeated in Europe after widespread immunisation from the late 1940s. In 1980 only 623 cases were reported. The latest outbreak began in Moscow and St Petersburg in 1991, but by 1994 the epidemic, which kills between 5 and 10 per cent of its victims, had infected almost 48,000 people in nearly all regions of Russia, Ukraine, Belarus, Moldova, Azerbaijan, Armenia, Georgia, Kazakhstan, Tajikistan and Uzbekistan," reports the *Financial Times* (20/6/95). Dr Jo Asvall, European regional director for the WHO warned that "this is the biggest public health threat in Europe since world war two".

Medicines are in short supply, while those available are prohibitively expensive. Under the old system, Soviet-produced medicines were sold practically at cost. In 1992 the price of drugs began to outstrip the price rises in other goods. As early as February 1992, cheap medicines had disappeared from the shelves. The trade union newspaper *Trud* at the end of 1992 reported: "The pharmacies are finding deals with commercial structures especially profitable. They buy medicines abroad for dollars, and sell them at hard currency prices." (Quoted in *Russian Labour Review*, No. 2, 1993.)

According to Dr Boris Storozhilov, the

head doctor at Moscow's Municipal Hospital No 32, privatisation of state medicine is proceeding by stealth. He says that "because of the wild capitalism which is developing all around us and the inability of doctors to do well in this new environment, some doctors take money on the side from their patients for what they should be doing for free". (Financial Times, 14/9/94.) When their often delayed wages were paid, doctors earned a miserable 85,000 roubles a month, and nurses earn 65,000 roubles a month. "It is impossible for us to find new young employees at these rates," says Dr Storozhilov. "Everyone is throwing themselves into commerce."

An article written by E.M. Andreyev of the State Committee for Statistics tries to minimise the seriousness of the health crisis, but is compelled to admit that the life span for a Russian male, on the present trends, will be only 50 by the end of the century, and 63 for women. And he is also forced to recognise that the root cause is economic:

"In 1993, the amount of funds allocated for public health continued to decline. The actual utility of hospital treatment further dropped because of the shortage of modern medications and the wear of obsolete medical equipment. The salary levels in Russian public health service in 1992 (the data for 1993 are still

unavailable) were lower by a factor of 1.7 than in the economy at large. In the conditions of a market reform one can hardly expect efficient services by poorly paid medical personnel." In addition to poverty and cuts, the all-pervading sense of insecurity and fear causes all kinds of psychological problems. The same author admits that the upheavals and conflicts caused by reform create "increased social instability and general level of neurosis". (*Khimiya y Zhizn'*, No. 10, October 1994.)

The introduction of market principles into medicine has had devastating results. In the words of the Moscow

journalist, Irina Gluschenko: "A year or so ago earnest, sincere people were explaining on Russian television that the state system of pharmacies was stifling the initiative of the workers. Excessive centralisation was said to be creating shortages of medicines and making effective work with patients impossible. Then, as economic reform gathered pace, the pharmacies were turned into commercial operations, whose aim was to make money. If they earned more, that meant their work was successful, even if more people diedÉ

"The assault on the pharmacies began earlier than the commercialisation of other spheres of the economy, due

largely to the hatred the new authorities felt for free medical care as one of the pillars of socialism. Large numbers of pharmacies were not privatised, remaining municipal enterprises. However, their functions were completely altered; the pharmacies were obliged both to sustain themselves and to bring profits to the city treasury." (*Russian Labour Review*, No. 2, 1993, p. 42.) In 1993, with the collapse of free health care, private medical schemes were introduced, but are not within the grasp of a large bulk of the population. It has been estimated that only 10 per cent of Russians are covered by private insurance, which gives them the right to treatment at the elite Kremlin hospitals

previously used by top Party bureaucrats.

Given the sky high prices, consumption of medicines declined by 30 per cent in 1992 alone. According to Gluschenko, "what has happened with the pharmacies is typical of what is now occurring with the health system as a whole. In 1991 3.4 per cent of Russian GNP went to health care. In 1992 this figure was cut by half. There is a lack of money not just for updating equipment, renovating hospitals and performing research, but even for doctors' wages". (Ibid.)

In a country where industry and state were bound closely together, the shift to

the market economy has brought unforeseen consequences. At the other end of the scale, the federal government finances the state hospitals' operating costs, but local factories in the past bought most of the equipment. With the factories facing bankruptcy, this link has broken down. "Now the factories are poorer than we are," says Dr Storozhilov. "They are working at half capacity and laying workers off, so our medical equipment is rusting away." Another effect he has noticed is the fear of workers to admit they are sick in case they are laid off. "They work until they drop and only then do they come in to hospital." (*Financial Times*, 14/9/94.)

Under the old system at least the workers had a free health service and relatively stable conditions. In the words of Julika Lukacs, a Hungarian pensioner: "Society was not divided under the Communists. There was no crime or poverty and we lived happily." That may be an indulgent memory, but it is shared by many. Another miner from Vorkuta said he was "voting for Zyuganov, because I felt safe under the Communists". Another Russian person who was interviewed about democracy, revealing the psychology of millions at the present time, gave the following reply: "Freedom? Yes, we have it. But freedom for what? To die of appendicitis? To buy a Western anorak

for 200 Deutsch Marks, when the average wages are 5 Deutsch Marks per week. Freedom to bribe teachers \$1000 a year to teach our children or to pay \$50 to see a decent doctor?"

The position of women

The great French utopian socialist Fourier saw the position of women as the most graphic indicator of the progress or otherwise of a social regime. The attempt to introduce capitalism in Russia has had the most calamitous consequences in this regard. All the gains for women made by the Russian Revolution, which, incidentally, was begun by striking textile workers on

International Women's Day, are being systematically eliminated. The reactionary face of the pro-bourgeois regime is graphically revealed in the position of women.

The Bolshevik Revolution laid the basis for the social emancipation of women, and although the Stalinist political counter-revolution represented a partial setback, it is undeniable that women in the Soviet Union made colossal strides forward in the struggle for equality. "The October Revolution honestly fulfilled its obligations in relation to woman," wrote Trotsky. "The young government not only gave her all political and legal rights in equality with man, but, what is more

important, did all that it could, and in any case incomparably more than any other government ever did, actually to secure her access to all forms of economic and cultural work." The October Revolution was a milestone in the struggle for women's emancipation. Prior to that, under Tsarism, women were regarded as mere appendages of the household. Tsarist laws explicitly permitted a man to use violence against his wife. In some rural areas women were forced to wear veils and were prevented from learning to read and write. Between 1917 and 1927 a whole series of laws were passed giving women formal equality with men. The 1919 programme of the Communist Party

boldly proclaimed: "Not confining itself to formal equality of women, the party strives to liberate them from the material burdens of obsolete household work by replacing it by communal houses, public eating places, central laundries, nurseries, etc."

Women were no longer obliged to live with their husbands or accompany them if a change of job meant a change of house. They were given equal rights to be head of the household and received equal pay. Attention was paid to the women's childbearing role and special maternity laws were introduced banning long hours and night work and establishing paid leave at childbirth,

family allowances and child-care centres. Abortion was legalised in 1920, divorce was simplified and civil registration of marriage was introduced. The concept of illegitimate children was also abolished. In the words of Lenin: "In the literal sense, we did not leave a single brick standing of the despicable laws which placed women in a state of inferiority compared with menÉ"

Material advances were made to facilitate the full involvement of women in all spheres of social, economic and political life - the provision of free school meals, milk for children, special food and cloth allowances for children in need, pregnancy consultation centres,

maternity homes, crèches and other facilities. True, the emergence of Stalinism ushered in a series of counter-reforms in the social sphere, which drastically affected the position of women. But with the death of Stalin, the postwar economic growth allowed a steady general improvement: retirement at 55 years, no discrimination in pay and terms of employment, and the right of pregnant women to shift to lighter work with fully paid maternity leave for 56 days before and 56 days after the birth of a child. New legislation in 1970 abolished night work and underground work for women. The number of women in higher education as a percentage of the total rose from 28 per cent in 1927,

to 43 per cent in 1960, to 49 per cent in 1970. The only other countries in the world where women constituted over 40 per cent of the total in higher education were Finland, France, and the United States.

There were improvements in pre-school care for children: in 1960 there were 500,000 places, but by 1971 this had risen to over five million. The tremendous advances of the planned economy, with the consequent improvements in health care, were reflected in the doubling of the life expectancy for women from 30 to 74 years and the reduction in child mortality by 90 per cent. In 1975 women working

in education had risen to 73 per cent. In 1959 one-third of women were in occupations where 70 per cent of the workforce were women, but by 1970 this figure had climbed to 55 per cent. By this time, 98 per cent of nurses were women, as were 75 per cent of teachers, 95 per cent of librarians and 75 per cent of doctors. In 1950 there were 600 female doctors of science, but by 1984 it had climbed to 5,600!

The movement toward capitalism has rapidly reversed the gains of the past, pushing women back to a position of abject slavery in the hypocritical name of the "family". The biggest part of the burden of the crisis is being placed on

the shoulders of the women. Women are the first to be sacked, in order to avoid paying social benefits, like child and maternity benefit. Given the fact that women made up 51 per cent of the Russian workforce a few years ago, and that 90 per cent of women worked, the growth of unemployment has meant that more than 70 per cent of Russia's unemployed workers are now women. In some areas the figure is 90 per cent.

The collapse of social services and increased unemployment means that all the benefits of the planned economy for women are being systematically wiped out. The growth in unemployment will sentence many more people to poverty in

Russia than in the West because many benefits are provided direct by the workplace: "Unemployment still carries a deep stigma in Russia. Only in 1991 did it cease to be a crime. For those without jobs, absolute poverty threatens. Unemployment benefits are linked to the minimum wage of 14,620 roubles a month, a third of the official subsistence level and about one-seventh of the average wage. The jobless are often even worse off than these figures imply because most of the basic social services - such as health, schools and transport are provided by companies rather than local government, and hence are only available to people in work," reports *The Economist*, (11/12/93).

Under the previous regime, women received 70 per cent of men's wages. The figure is now 40 per cent. Keeping a family on one wage was difficult enough in the old USSR. Now, with the dramatic rise in poverty, it is virtually impossible. Thus, women are the main victims of this reactionary regime. Prostitution has increased enormously, as women try to survive by selling their bodies to those with money to buy them - mainly the despicable "new rich" and foreigners. Even here they fall prey to the Mafia which demands at least 20 per cent of all businesses. In Western magazines, Russian women are advertised alongside women from third world countries as prospective wives for men who, for

reasons that one can only guess at, are unable to find a partner in their own country. In the humiliating slavery of women, reduced to the status of commodities, is encapsulated the humiliation of a land that is being compelled to submit to the yoke of exploitation in its most naked and shameless guise.

On the 10th February 1993, the then labour minister, J. Melikyan announced the government's solution to unemployment. In a language that would do credit to any rightwing bourgeois politician in the West, he said he saw no need for special programmes to help women return to work. "Why should we

try to find jobs for women when men are idle and on unemployment benefits?" he asked. "Let men work and women take care of the homes and their children." Such language, which would have been unthinkable in the past, is now evidently regarded as something normal and acceptable. Here, more clearly than anywhere else, we see the real face of capitalist counter-revolution - crude, brutal and ignorant - a monstrous throwback to the days of Tsarist slavery in which each slave was allowed to lord it over his wife and children in compensation for his own degrading condition.

The government's attempt to implement a

"back to the home" policy was reflected in several drafts of a new law that was under consideration. The first draft would potentially have nullified women's right to abortion, and banned women with children under 14 from working more than 35 hours a week. Following protests, the most controversial clauses were dropped. The law now does away with the obligation of the state to provide day care for the children of working women. As compensation, women with three or more children are offered benefits to stay at home and look after them. This will put the position of women back more than seventy years. Thrust back into the dark recesses of the family, they

are made to pay a terrible price. In 1993, 14,000 Russian women were murdered by their husbands or boyfriends - a figure 20 times higher than in the USA.

The emergence of Mafia capitalism

"Moscow today is a metropolis in the grip of gangsters, drug pushers and pimps. A society where the state once ruled by fear and commerce was a crime, has been replaced by a jungle in which commerce is ruled by fear and anyone who indicts crime is blown away by a shotgun-wielding hitman on his doorstep" Meanwhile, the wages of sin are good enough for the new rich of

Russia; on a late mid-week evening in the Teatro GrillÉ sharp young men in designer sports jackets brandishing mobile phones like the fly-whisks of oriental despots are ordering Canadian lobster and French champagneÉ They share their table with burly minders in leather jackets. The moll is there tooÉ The cynical view is that not only has Russia's moral and social switchback ride made the Mafia inevitable, but also in the medium term, it may even be necessary. Its single minded dedication to the individual profit motive makes it an armed and lethal force against those who would restore state collectivism." (*The Sunday Times*, 8/5/94.)

The above lines provide a graphic picture of the type of capitalism that is emerging in Russia today. One of the main accusations levelled at the old regime was that it was endemically corrupt. That is true, and was one of the main causes of the dissatisfaction of the masses. But the experience of six years of a movement in the direction of capitalism has shown that the new order is vastly more corrupt than anything that has gone before. The illusion that Russia could develop into a classical form of "democratic" capitalism as in Western Europe or America has been completely destroyed. The Mafia gangs, directly linked to this emerging capitalism, and often indistinguishable from the nascent

bourgeoisie, have sprung up everywhere. Their tentacles penetrate into every corner of the state, business and politics. The Russian Mafia is linked to its counterparts in Italy and elsewhere.

"There are signs that [the Russian Mafia in] the former Soviet Union is using the Italian Mafia to build itself up economically just like the US [Mafia] did earlier in the century," said Major General Giovanni Verdicchio, a senior figure in anti-Mafia operations of the Italian Guardia di Finanza. These criminal elements are regarded by the nouveaux riches as the guarantors of the new Russia. But they have a price for

their services. In a report prepared for Boris Yeltsin, the Analytical Centre for Social and Economic Policies claimed that three-quarters of private businesses are forced to pay 10-20 per cent of their earnings to criminal gangs; 150 such gangs control some 40,000 companies, including most of the country's 1,800 commercial banks. According to *Newsweek*: "The Russian Mafia has practically turned the motherland into a thug-ocracy."

Russia's new elite represents a gangster capitalism, permeated by corruption from top to bottom, and, in one elegant phrase, "as graceful as Frankenstein's monster". Russian capitalism is even

more corrupt than the notorious "crony capitalism" of Marcos in the Philippines. The French nineteenth century socialist Proudhon invented the celebrated phrase "All property is theft". From a strictly scientific point of view that is incorrect, but in present day Russia it comes close to the truth. One Western financial strategist, returning from Moscow, confessed that he was "saddened by the pervasive sordidness and decay, the rampant corruption masquerading as capitalismÉ I left with a palpable sense of foreboding", he added "that sinister events are waiting to happen". This was a matter of months before Yeltsin's bloody assault on the White House and the crushing of

parliament in November 1993.

In Russia, attempts to resist the power of the Mafia are exceedingly risky. Here, paraphrasing Clausewitz, murder is the continuation of economics by other means. In 1993 alone, the interior ministry reported the murder of 94 people described as "entrepreneurs". The ministry recorded two attacks involving explosives every day, almost one-third of them against rival businessmen. In August 1995, on the day of the bloody Moscow Metro bombing, a demonstration of members of the Association of Bankers and the Business Roundtable took place. They were surrounded by bodyguards, and claimed

that 85 murder "contracts" had been taken out against their members in the last three years - and 47 had been assassinated.

One of Russia's top 100 millionaires, Ilya Mitkov, was gunned down as he left his office. According to the *Daily Express* (21/9/93): "By the time he died he had a private jet, an office in Mayfair, and a penthouse and Ferrari in ParisÉ He built a business empire with two banks and a host of other commercial interestsÉ Yet in Moscow's business jungle, no one seems safe. Newspapers say he was killed in a feud over forged payments involving one of his banks." Unlike in the West, Mafia capitalism

deals with rivals in a direct simple fashion, murder. "Entrepreneurs wanting protection recruit their own gangs, which come in useful for debt collection too." (*The Economist*, 19/2/94.)

This is no exception, but is endemic in Russia. "In larger companies," reports the *Financial Times* (2-3/9/95), "armies of hundreds of guards provide security for top managers, act as debt collectors, protect customers and even gather intelligence. They're the modern equivalent of the retainers of a medieval lord, or the retinue of a nineteenth century US cattle baron." Pyotr Filippov, an economist with the Analytical Centre, writes in his report: "An entire

generation is growing up for whom this situation is normal and who in such circumstances will not turn to official authorities, but to unofficial ones. These people are more likely to hire a murderer to punish a guilty or even an unpleasant partner than to go to court or arbitration." (*The Economist*, 19/2/94.)

Russia's interior minister Anatoli Kulikov estimates contract killings, among them some Americans, down from 530 in 1995 to 450 in 1996 and now admits that "businessmen have hidden between \$150 billion and \$300 billion elsewhere over the last five years". He estimates 40 per cent of the country is owned by criminals. Pending

legislation would impose fines on these tax evaders of between \$862 and \$2,000. He says, in a masterpiece of understatement: "I have some misgivings (!) about all those people, who used to be derelicts four to five years ago but who have now become billionaires."

The blackmarketeers and Mafiosi, who have contacts at the highest level of the government, are engaged in plundering the state. This business Mafia has grown fabulously rich by every means at its disposal. Most banks are controlled by the Mob, with their Western luxury cars, elegant girlfriends and packs of muscular bodyguards. By this means money from prostitution, drugs, and the

black market is laundered. "The situation in Moscow is like it was in New York City in the 1920s and 1930s," said Jim Moody of the FBI. Hundreds of contract killings take place each year. Typical prices are said to be between \$1,000 and \$5,000 per hit.

According to *The Economist*, the area where reform and crime most glaringly overlap is the privatisation programme. "This is a bonanza for racketeers." The same journal gives the example of the privatisation auctions at Nizhni Novgorod, where armed riot police protected potential investors from armed gangsters, keen to intimidate competitors for cheap assets. "At an auction in

Saransk," it states, "in the middle of European Russia, the police were not on hand to discourage gangsters from 'advising' rivals not to bid; those who persisted were, it is said, mutilated."

The most vulnerable sections of society are preyed upon by the Mafia gangs in search of rich pickings. Moscow's Criminal Search Department estimate that up to a fifth of premeditated murders in the capital are committed to get access to a victim's home. The aged, out of desperation, are lured into signing over their accommodation for cash, with the agreement that it is only given up after their death. They are subsequently murdered. Pensioners living alone are

the prime target. More than 3,500 bodies "likely to be those of missing apartment owners" lie in the city's morgues. "A few weeks before [the Metro bombing]," states the *Financial Times* (2-3/9/95), "three corpses, shot and decapitated, were found in refuse bins in the road next to the Metro. The word was: They hadn't paid their rent." The article continues: "Business people and company executives refer to the gun as a debt collector, not even of the last resort." It concludes: "There is no effective law on debt collection."

About the present work

The fall of the Berlin Wall and the

collapse of Stalinism has led to widespread questioning, not least of all in Russia itself. It is the purpose of this book to clarify these questions, and answer the propaganda of the enemies of socialism, basing itself on facts, figures and arguments. It is a task that is long overdue. This is no academic exercise, but a preparation for the future. What was the Soviet Union, why did it collapse and where is Russia now heading? These were the questions which Trotsky asked in his masterpiece *The Revolution Betrayed* written in 1936, which even today retains all its original vigour and relevance. No one who seriously wants to understand what has happened in Russia can ignore this

great work of Marxist analysis, which is the starting point for the present book. It is also the aim of the present work to shed light on the nature of the regime that emerged from the October Revolution, to analyse its contradictory tendencies, to plot its rise and fall, and, finally, to point the way forward.

First, a few words about the methodology which underlies the present work. Needless to say, the method used here is that of Marxism, dialectical and historical materialism, because this alone provides us with the scientific tools necessary to analyse complex and contradictory processes, to separate the accidental from the necessary, to

distinguish between what men and women think and say about themselves and the material interests which they ultimately represent. Only by such means is it possible to understand what occurred in the Soviet Union, and thus comprehend what is happening now, and, at least tentatively, establish a prognosis for future developments. The author of the present work has spent most of his life studying the Russian question, and is uniquely qualified to provide a Marxist analysis of it. An active follower of Trotsky since the days of the International Left Opposition, Ted Grant can be considered the leading living exponent of the ideas of Trotskyism today. Indeed, a large part of

the present work is based on the wealth of material written by Ted over a period of over 50 years, above all, his analysis of the nature of the new Stalinist regimes in Eastern Europe and China, and his creative and original development of Trotsky's theory of proletarian Bonapartism in relation to the colonial revolution.

The first part of the book deals with the Russian Revolution and draws an historical balance sheet of October, answering many of the criticisms, distortions and misconceptions that have surrounded it for decades. In the course of this section there are a number of chapters which provide a detailed

exposition of the Marxist theory of the state in relation to the transitional regime that emerged from the October Revolution. The rise of the bureaucracy and the Stalinist political counter-revolution is traced through all its stages. This part, especially the critique of the theory of "state capitalism" (including a valuable appendix on the law of value in the transitional period) presents more difficulties for the reader than other parts of the book. But it is essential to grasp these points in order to understand the process as a whole. It should be pointed out that these sections were originally published in the late 1940s in an important work by Ted called *The Marxist Theory of the State*.

In order to make this and other material available in book form, a considerable amount of editing was necessary. The bulk of this was done by Rob Sewell and myself. Any variations in style which the reader may notice is entirely due to this.

It is worth recalling that 25 years ago Ted Grant had correctly analysed the reasons for the crisis of Stalinism, and predicted its collapse. Moreover, he was the only one to do so. Every other tendency, from the bourgeois to the Stalinists themselves, took for granted that the apparently monolithic regimes in Russia, China and Eastern Europe would last almost indefinitely. To this day, one

would seek in vain for an explanation of the real causes of the crisis of Stalinism in all the writings of the bourgeois, reformists and ex-Stalinists, not to speak of the myriad sects on the fringes of the labour movement. Yet they were analysed in advance in the documents written by Ted in *International Perspectives*, as early as August 1972. Unfortunately, at the time this material was read by only a small number. The present work will make this detailed and profound analysis available to a wider public for the first time.

In the light of subsequent experience, it is not necessary to alter what was written at the time concerning the

reasons for the crisis of Stalinism, and the inevitability of its collapse. This analysis follows the same method that was used by Trotsky. The only correction that has to be introduced concerns the perspective for a return to capitalism in Russia. For a long time, the author considered that such a development was ruled out. That has been shown to be incorrect, although at the time, the same opinion was firmly held by virtually all commentators, whether Stalinist or bourgeois. It is a measure of the extraordinary genius of Trotsky - alongside Lenin, one of the two great Marxist thinkers this century has produced - that he proved to be right on this question also. However, it is the

contention of the author that the movement towards capitalism in Russia has not yet been carried to a definitive conclusion, and may yet be reversed. The different possibilities are elaborated in the last section, which explains the dialectical relationship between Russia and the rest of the world.

Given the impasse of the present pro-bourgeois regime in Russia, what is likely to happen? The collapse of the Soviet Union and the move towards capitalist restoration has opened up a new contradictory chapter. Trotsky's prediction that the Stalinist bureaucracy in order to preserve their privileges

"must inevitably in future stages seek support for itself in [capitalist] property relations", has been realised. The disgusting spectacle of long-standing Communist Party leaders, managers and officials tearing up their Party cards and openly transforming themselves into "entrepreneurs", with the same ease as a man moving from a smoking to a non-smoking compartment on a train, shows how far the Stalinist regime was from genuine socialism. In the last part of his work, the author poses the question of the future of Russia and gives a number of different possibilities. This flows from the fact that the movement towards capitalism still has an unfinished character. Different outcomes are

possible.

Marxism is a science, but it is not an exact science, like mathematics or astronomy. An astronomer can establish the position of a galaxy millions of light years away, often with absolute certainty. But there are sciences and sciences. Medicine is also a science, but not an exact one. Basing himself, on the one hand on his knowledge of medical science, and, on the other, on all the available symptoms, a doctor arrives at a diagnosis. There are always various possibilities: for example, a stomach pain may signify an ulcer, colic or stomach cancer. But, at the end of the day, the doctor must decide which is the

most likely, because he must pass from theory to action, in order to cure the disease.

A perspective is, by definition, of a conditional character. Perspectives are not a blueprint for what will happen, but only a working hypothesis, which must be constantly revised, filled out and checked against the actual developments. It is, therefore, a mistake to demand of the present work that it should deal exhaustively with every aspect of the situation. By their very nature, perspectives must deal with general processes. The present situation is a transition between two epochs, displaying all the instability of such

periods. The task of working out perspectives is made more difficult - but not impossible - by the rapid changes which are taking place. When dealing with complex situations, with many variables, it is necessary to explain the different variants which exist, pointing out the consequences of each one. But at the end, it is necessary to point out which variant is the most likely.

Of necessity, perspectives have an algebraic, not arithmetic, character. The unknown quantities must be filled in on the basis of actual experience.

Perspectives can be added to, modified, or even rejected if they are falsified by events. Mistakes are inevitable in

working out perspectives. But for a Marxist, even a mistake can be turned to good account, on condition that it is identified, explained and corrected. In the same way, in the history of science, an experiment can be of great utility even when it does not yield the desired result, since it serves to point the way to a more fruitful avenue of investigation and increases the sum total of our knowledge, albeit in a negative sense.

To state the purpose of this book, we can do no better than to echo the words of Trotsky in the introduction to his monumental work on Stalinism, *The Revolution Betrayed*: "The purpose of the present investigation is to estimate

correctly what is, in order the better to understand what is coming to be. We shall dwell upon the past only so far as that helps us to see the future. Our book will be critical. Whoever worships the accomplished fact is incapable of preparing the future" We intend to show the face and not the mask." (Trotsky, *The Revolution Betrayed*, pp. 3-4.)

This year marks the 80th anniversary of the October Revolution. The apologists of capitalism, and their faithful echoes in the labour movement, try to comfort themselves with the thought that the collapse of the USSR signified the demise of socialism. Not so! What failed in Russia was not socialism, but a false

model, a caricature of socialism. In many ways, the Stalinist regime was the antithesis of the democratic regime established by the Bolsheviks in 1917. The downfall of Stalinism was predicted and explained in advance by the Marxists. To this day, we would look in vain for a coherent analysis of this process in the writings of any other tendency on a world scale. In retrospect, the fall of Stalinism will be seen, not as the end of socialism, but only as an episode in the movement towards the socialist transformation of society on a world scale. The demagogic attacks on socialism/ Marxism/ communism have an increasingly hollow ring, because they are made against a background of

the deepening crisis of world capitalism. Falling rates of growth, permanent mass unemployment, attacks on living standards, vicious cuts, the abolition of the welfare state - this is the reality of capitalism in the advanced countries in the last decade of the twentieth century. This is the real background against which the attempt is being made to restore capitalism in Russia. What are its prospects for success? It is too early to give a definitive answer. But one thing is abundantly clear from the failure of "socialism in one country". The destiny of Russia today more than ever will be determined by events on a world scale.

London, 8th March 1997.

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Russia:

**from revolution to
counter-revolution**

Part One:

**The Balance Sheet of
October**

The advances of the planned economy

*For I dipt into the future, far as human
eye could see,
Saw the Vision of the world, and all the
wonder that would be.*

Alfred Tennyson.

The Russian Revolution of 1917 was one of the greatest events in history. If we leave aside the heroic episode of the Paris Commune, for the first time millions of downtrodden workers and peasants took political power into their own hands, sweeping aside the despotic rule of the capitalists and landlords, and set out to create a socialist world order. Destroying the old Tsarist regime that held sway for a thousand years, they had conquered one-sixth of the world's land

surface. The ancien régime was replaced by the rule of a new democratic state system: the Soviet of Workers', Soldiers' and Peasants' Deputies. It heralded the beginning of the world revolution, inspiring the hopes and dreams of millions who had lived through the nightmare of the first world war. Notwithstanding the terrible backwardness of Russia, the new Socialist Soviet Republic represented a decisive threat to the world capitalist order. It struck terror in bourgeois circles, who rightly regarded it as a threat to their power and privileges, but comforted themselves with the notion that the Bolshevik regime was likely to only last a matter of weeks. The

nationalised property relations that emerged from the revolution, the foundations of an entirely new social system, entered into direct conflict with the capitalist form of society. Despite the emergence of Stalinism, this fundamental antagonism existed right up until the collapse of the Soviet Union. Even today events in Russia continue to haunt world politics, like some Banquo's ghost that continually overshadows the festivities of the capitalist class.

In order fully to appreciate the scope of these achievements, it is necessary to remember the point of departure. In their eagerness to discredit the ideas of genuine socialism, the apologists of the

"free market" conveniently forget a few details. In 1917, Tsarist Russia was, in fact, far more backward than present-day India. It lagged far behind the West. It was the barbaric land of the medieval wooden plough, used by peasants who had only achieved emancipation from serfdom two generations before. Russia had been ruled by Tsarist despotism for centuries. The industrial working class was a small minority - less than four million out of a total of 150 million. Seventy per cent of the population could neither read nor write. Russian capitalism was extremely feeble and rested upon the crutches of foreign capital: French, British, German, Belgian and other Western powers

controlled 90 per cent of Russia's mines, 50 per cent of her chemical industry, more than 40 per cent of her engineering, and 42 per cent of her banking stock.

The October Revolution attempted to transform all this, showing the way forward to the workers everywhere and preparing the road for the world socialist revolution. Despite the immense problems and obstacles, the planned economy revolutionised the productive forces in the USSR and laid the basis for a modern economy. The prewar period saw the build up of heavy industry through a series of Five-Year Plans and laid the foundations for the advances of the postwar years.

In 1936, Trotsky wrote that the "underlying service of the Soviet regime lies in its intense and successful struggle with Russia's thousand-year-old backwardness." The Soviet regime is passing through a preparatory stage, importing, borrowing and appropriating the technical and cultural conquests of the West." (Trotsky, *The Revolution Betrayed*, p. 20.) Since that time, the Soviet economy advanced with seven league boots. In the 50 years from 1913 (the height of prewar production) to 1963, despite two world wars, foreign intervention and civil war, and other calamities, total industrial output rose more than 52 times. The corresponding figure for the USA was less than six

times, while Britain struggled to double her output. In other words, within a few decades, on the basis of a nationalised economy, the Soviet Union was transformed from a backward agricultural economy into the second most powerful nation on earth, with a mighty industrial base, a high cultural level and more scientists than the USA and Japan combined.

From a Marxist point of view, the function of technique is to economise human labour. In the 50 year period from 1913 to 1963, the growth of productivity of labour in industry, the key index of economic development, advanced by 73 per cent in Britain and by 332 per cent in

the USA. In the USSR, labour productivity rose in the same period by 1,310 per cent, although from a very low base. The periods of tremendous economic advance in Russia largely coincided with periods of crisis or stagnation in the capitalist West. The strides forward of Soviet industry in the 1930s coincided with the great slump and Depression in the capitalist world, accompanied by mass unemployment and chronic poverty. Between 1929 and 1933 American industrial production dropped 48.7 per cent. The American National Research League estimated the number of jobless in March 1933 was 17,920,000. In Germany there were more than six million unemployed.

These comparisons alone show graphically the superiority of a planned economy over the anarchy of capitalist production.

In the former USSR, out of a population that grew by 15 per cent, the number of technicians had grown by 55 times; the numbers in full-time education by over six times; the number of books published by 13 times; hospital beds nearly ten times; children at nurseries 1,385 times. The number of doctors per 100,000 people was 205, as compared to 170 in Italy and Austria, 150 in America, 144 in West Germany, 110 in Britain, France and Netherlands, and 101 in Sweden. Life expectancy more than doubled and

child mortality fell by nine times. Between 1955 and 1959 urban housing space (state and co-operative) more than doubled, while private space more than tripled in size. By 1970, the number of doctors had increased from 135,000 to 484,000 and the number of hospital beds from 791,000 to 2,224,000.

Despite the terrible blow to agriculture by Stalin's forced collectivisation in the early 1930s, from which agriculture never fully recovered, progress was made, allowing Russia to feed her population adequately. Such economic advance, in so short a time, has no parallel anywhere in the world. The amount of cultivated land was increased

in just three years, between 1953 and 1956, by a staggering 35.9 million hectares, an area equivalent to the total cultivated land of Canada. This achievement lies in stark contrast to the dire position of the masses in India, Pakistan and the rest of the third world. This advance of the Soviet economy is even more incredible given the chronic backwardness that characterised its starting point. The old Tsarist economy, a semi-feudal country with outcrops of modern industry mainly owned by foreign capital, was shattered in the first world war. Then came two revolutions, the civil war, the imperialist blockade and foreign intervention and a famine in which six million people died. To this

must be added the countless millions of workers, peasants, technicians, and scientists who perished, first in the period of forced collectivisation, then in the Great Purges of the 1930s.

Bureaucratic planning pushed the economy forward, but at three times the cost compared to the industrial revolution of the West. The dead weight of mismanagement, waste, corruption and bureaucracy weighed down heavily on the economy, eventually dragging it down to a standstill.

The second world war in Europe was a further testimony to the achievements of the planned economy. The war had in reality been reduced to a titanic battle

between the USSR and Nazi Germany, with Britain and the USA as mere spectators. It cost the USSR an estimated 27 million dead. A million died in the siege of Leningrad alone. Vast areas of Russia were annexed by Hitler or completely destroyed in the Nazi's "scorched earth" policy. Almost 50 per cent of all urban living space in occupied territory - 1.2 million houses - was destroyed, as were 3.5 million houses in rural areas. "Many towns lay in ruins. Thousands of villages were smashed. People lived in holes in the ground. A great many factories, dams, bridges, which had been put up with so much sacrifice in the first Five-Year Plan period, now had to be rebuilt,"

stated historian Alec Nove. (Alec Nove, *An Economic History of the USSR*, p. 292.)

In the postwar period, without any Marshall Aid programme, the USSR made colossal advances on all fronts. Thanks to the nationalised economy and the plan, the Soviet Union rapidly built up its devastated industries, with growth rates of over 10 per cent. Alongside US imperialism, the USSR had emerged from the war as a world superpower. "World history knows nothing like it," states Nove. As early as 1953, the USSR had built up a stock of 1.3 million machine tools of all kinds - double what it had prewar. Between 1945 and 1960,

steel production had grown from 12.25 million tons to 65 million tons. In the same period, oil production had risen from 19.4 million tons to 148 million tons, and coal from 149.3 million to 513 million. Between 1945 and 1964, the Soviet national income rose by 570 per cent, compared to 55 per cent in the USA. Let us not forget that the USA emerged from the war with its industries intact and two thirds of the world's gold in its vaults. In fact, it had benefited enormously from the war effort and was able as a result to impose its domination throughout the capitalist world.

Before the war the Soviet Union was still far behind not only the USA, but

also Britain and Europe. Astonishingly, by the mid-1980s the USSR had overtaken Britain and most other capitalist economies, with the exception of the USA. At least in absolute terms, the USSR occupied the first position in many key fields of production, for example, in the production of steel, iron, coal, oil, gas, cement, tractors, cotton, and many steel tools. In the mid-1980s the Massachusetts Cambridge Engineering Research Association described the Soviet natural gas industry - which doubled production in less than ten years - as a "spectacular success story". (*Financial Times*, 14/11/85.) Even in the field of computers, where Russia in the 1970s was said to be ten

years behind the West, the gap had been narrowed to a point where Western experts admitted it was only about 2-3 years. The most spectacular proof of the superiority of a planned economy, where it was run well, was the Soviet space programme. Since 1957 Russia had led the "space race". While the Americans landed on the moon, the Russians were building a space station that would take them to the far reaches of the solar system. As a byproduct, the Soviet Union was selling the cheap and reliable Proton rockets on world markets at a price some £10 million less than the European Ariane space project.

As late as 1940, two-thirds of the

population lived in conditions of rural backwardness. Now, the entire position has been reversed. Two-thirds live in the cities and only one-third on the land, in other words, we have witnessed the same processes that we saw in the West over the last 50 years, i.e. the development of industry leading to an enormous strengthening of the proletariat at the expense of the peasantry and middle layers of society. In the USSR, however, the process ("proletarianisation") had been carried to unheard-of lengths, with the concentration of the workforce into gigantic industrial enterprises of 100,000 or more. Today the Soviet proletariat, far from being backward and

weak, is the strongest working class on earth. The position as regards education has been transformed. This was one of the main historical gains of the October Revolution. In the USSR, about one worker in three was qualified, and a large number of working class youth had access to university. The total numbers of pupils receiving both higher and secondary technical education quadrupled between 1940 and 1964. By 1970, there were 4.6 million students in the USSR, with 257,000 graduates in engineering (in the US by comparison there were 50,000 graduates in this field). Four times as much per head of population was spent on education in Russia than in Britain. A mere glance at

the figures indicates the superiority of a planned economy over all the petty fussing of the reformist leaders in the West who have accepted the need to drastically curtail spending on education, health and welfare generally.

The growth of the economy meant a steady improvement in living standards. The great majority of Russians in the past period possessed such things as TV sets, refrigerators and washing machines. And all this had been achieved without unemployment or inflation. Rents were fixed at about 6 per cent of the monthly income, and were last increased in 1928. A small flat in Moscow, up until recently, cost about

£11 a month, which included gas, electricity, telephone and unlimited hot water. Again, bread was around 16 pence a kilo and, like sugar and most basic foodstuffs, last went up in price in 1955. Meat and dairy produce prices were last increased in 1962. This situation only began to change in the 1980s. With the move towards capitalism, this situation has radically changed since subsidies were cut and price controls abolished. In 1993 inflation reached 2,600 per cent, and although it has fallen back since then, still remains high.

Yet the colossal advantages created by a society which had abolished capitalism

and landlordism were revealed, at least in outline, by this unprecedented growth. The advances of the Soviet economy over the first sixty years were however extremely uneven and contradictory. They were far from the idyllic picture painted in the past by the "Friends of the Soviet Union". Without doubt, a regime of workers' democracy would have far outstripped what had been achieved under Stalinism with all its corruption and mismanagement. Within this contradictory development of the Soviet economy lies the key to understanding the collapse of Stalinism in the late 1980s and the move towards capitalist restoration.

The laws of the development of capitalism as a socio-economic system, were brilliantly analysed by Marx in the three volumes of Capital. However, the development of a nationalised planned economy, which is a prerequisite to the movement towards socialism, takes place in an entirely different manner. The laws of capitalism are expressed in the blind play of market forces, through which the growth of the productive forces takes place in an automatic fashion. The law of value, expressed through the mechanism of supply and demand, allocates the resources from one sector to another. There is no plan or conscious intervention. This cannot be the case where the state centralises the

economy into its hands. Here a workers' state occupies the same position in regard to the whole economy as an individual capitalist occupies in the context of a single factory.

For that very reason, the actions of the Soviet government over the past seven decades have played a decisive role - for good or ill - on economic development. "There is no other government in the world," noted Trotsky, "in whose hands the fate of the whole country is concentrated to such a degree." The centralised character of the national economy converts the state power into a factor of enormous significance." Under these

circumstances, the policy of the regime was decisive. It was the blind alley of bureaucratic rule that brought the fireworks display of economic advance to a shuddering halt. Unlike the development of capitalism which relies on the market for the allocation of resources, a nationalised economy requires conscious planning and direction. This cannot be undertaken successfully by a handful of bureaucrats in Moscow, even if they were Marx, Engels, Lenin and Trotsky. Such a state of affairs requires the involvement of the mass of the population in the running of industry and the state. Only a regime of workers' democracy would be capable of harnessing the talent and initiative of

society. A regime of bureaucratic mismanagement would inevitably lead to the eventual seizure of the economy as it became more sophisticated and technologically advanced. By the 1970s, the Soviet economy had reached a complete impasse. But the reasons for this are the subject of a later chapter.

Suffice to say that, despite the bureaucratic stranglehold of Stalinism, the successes of the planned economy were demonstrated, not on the pages of Capital, but in an industrial arena comprising a sixth part of the earth's surface, not in the language of dialectics, but in the language of steel, cement and electricity. As Trotsky explained: "Even

if the Soviet Union, as a result of internal difficulties, external blows and the mistakes of its leadership, were to collapse - which we firmly hope will not happen - there would remain as an earnest of the future this indestructible fact, that thanks solely to a proletarian revolution a backward country has achieved in less than ten years successes unexampled in history." (Trotsky, *The Revolution Betrayed*, p. 8.)

Was the October Revolution a coup?

In an attempt to discredit the Bolsheviks, no effort has been spared to falsify the historical record. The usual trick is to describe the October Revolution as a

coup d'état, that is, a movement carried out by a small minority using conspiratorial methods behind the backs of the majority. The Bolsheviks, so the argument goes, seized power from the Provisional Government which issued from the February Revolution and which, supposedly, represented the democratic will of the people. If only Lenin's "conspiracy" had not prospered, the story goes, Russia would have entered on the road of Western parliamentary democracy and lived happily ever after. This fairy story has been repeated so many times that it has been uncritically accepted by many. Like any other fairy story its purpose is to lull the wits to sleep. And also like any other

fairy story, it is convincing only to very small children.

The first thing which springs to mind is: if the Provisional Government really represented the overwhelming majority, and the Bolsheviks only an insignificant group of conspirators, how did the latter succeed in overthrowing the former?

After all, the government possessed (at least on paper) all the might of the state apparatus, the army, the police and the Cossacks, whereas the Bolsheviks were a small party which, at the beginning of the revolution in February had only about 8,000 members in all Russia. How was it possible for such a tiny minority to overthrow a mighty state? If we

accept the argument of a coup, then we must assume that Lenin and Trotsky possessed magical powers. This is the very stuff of fairy tales! Sadly, it has no place in real life, or in history.

In reality, the conspiracy theory of history explains nothing. It merely assumes what has to be proved. Such a superficial mode of reasoning, which assumes that every strike is caused by "agitators" and not by the accumulated discontent in a factory, is typical of the police mentality. But when it is seriously advanced by self-styled academics as an explanation for great historical events, one can only scratch one's head in bewilderment - or else assume that an

ulterior motive is present. The motive of the policeman who seeks to attribute a strike to the activities of unseen agitators is quite clear. And this mode of argument is really no different. The essential idea is that the working class is incapable of understanding its own interests (which are, naturally, identical to those of the bosses). Therefore, if they move to take their destiny into their own hands, the only explanation is that they have been misled by unscrupulous demagogues.

This argument, which incidentally can be used against democracy in general, also misses the point. How could Lenin and Trotsky "mislead" the decisive majority of society in such a way that in the short

space of nine months, the Bolshevik Party passed from an insignificant minority to win the majority in the soviets, the only really representative organs of society, and take power? Only because the bourgeois Provisional Government had revealed its complete bankruptcy. Only because it had failed to carry out a single one of the tasks of the bourgeois-democratic revolution. And this can be demonstrated very easily by one fact alone: the Bolshevik Party took power in October on the basis of the programme of "Peace, Bread and Land". This is the most graphic illustration of the fact that the Provisional Government had failed to achieve any of the most burning needs of the Russian people.

This, and this alone, explains the success of the Bolsheviks in October.

The most striking thing about 1917 is precisely the active involvement of the masses at each stage. This, in fact, constitutes the essence of a revolution. In normal periods the majority of men and women are prepared to accept that the most important decisions affecting their lives are taken by others, by the "people that know" - politicians, civil servants, judges, "experts" - but at critical moments, the "ordinary" people begin to question everything. They are no longer content to allow others to decide for them. They want to think and act for themselves. That is what a revolution is.

And you can see elements of this in every strike. The workers begin to participate actively, speak, judge, criticise - in a word, decide their own destiny. To the bureaucrat and the policeman (and some historians whose mental processes function on the same wavelength) this seems like a strange and threatening madness. In fact, it is precisely the opposite. In such situations, men and women cease to act like automatons and begin to behave like real human beings with a mind and a will. Their stature is raised in their own eyes. They rapidly become conscious of their own condition and their own aspirations. Under such conditions, they consciously seek out that party and

programme that reflects their aspirations, and reject others. A revolution is always characterised by the rapid rise and fall of parties, individuals and programmes, in which the more radical wing tends to gain.

In all Lenin's speeches and writings of this period, we see a burning faith in the ability of the masses to change society. Far from adopting "conspiratorial" methods, he based himself on appeals to the revolutionary initiatives of the workers, poor peasants and soldiers. In the April Theses he explained that: "We don't want the masses to take our word for it. We are not charlatans. We want the masses to overcome their mistakes

through experience." (Lenin, *Collected Works*, Vol. 36, p. 439, henceforth referred to as LCW.) Later on he said: "Insurrection must rely not upon conspiracy and not upon a party, but upon the advanced class— Insurrection must rely upon a revolutionary upsurge of the people." (LCW, Vol. 26. p. 22.)

The fact that Lenin here counterposes the masses to the Party was no accident. Although the Bolshevik Party played a fundamental role in the Revolution, this was not a simple one-way process, but a dialectical one. Lenin pointed out many times that the masses are a hundred times more revolutionary than the most revolutionary party. It is a law that in a

revolution, the revolutionary party and its leadership come under the pressure of alien classes. We have seen this many times in history. A section of the leadership at such moments begins to doubt and hesitate. An internal struggle is necessary to overcome these vacillations. This occurred in the Bolshevik Party after Lenin's return to Russia, when the Bolshevik leaders in Petrograd (mainly Zinoviev, Kamenev and Stalin) adopted a conciliatory attitude to the Provisional Government and even considered fusing with the Mensheviks. The line of the Party was only changed after a sharp internal struggle in which Lenin and Trotsky joined forces to fight for a second

revolution in which the working class would take power into its hands.

In this struggle, Lenin appealed directly to the advanced workers over the heads of the Central Committee. He said that "the 'country' of the workers and the poor peasants É is a thousand times more leftward than the Chernovs and the Tseretelis, and a hundred times more leftward than we are". (LCW, Vol. 24, p. 364.) The motor force of the revolution at each stage was the movement of the masses. The task of the Bolsheviks was to give a clear political and organisational expression to this movement, to ensure that it was concentrated at the right moment for the

seizure of power, and to avoid premature uprisings which would lead to defeat. For a time this meant actually holding the masses back. The key Vyborg Committee in Petrograd stated in June: "We have to play the part of the fire-hose." (Quoted in M. Liebman, *Leninism under Lenin*, p. 200.) Podvoisky admitted at the Sixth Party Congress in August: "We were forced to spend half our time calming the masses." (Ibid., p. 200.)

Permanent mobilisation

Numerous witnesses from all parties testify to the extraordinary degree of participation by the masses. In the words

of Marc Ferro: "The citizens of the new Russia, having overthrown Tsardom, were in a state of permanent mobilisation." (Ibid., p. 201.) The prominent Menshevik Nikolai Sukhanov recalls that "all Russia É was constantly demonstrating in those days. The provinces had all become accustomed to street demonstrations". (Ibid., p. 201.) Nadezhda Krupskaya, Lenin's wife, recalls:

"The streets in those days presented a curious spectacle: everywhere people stood about in knots, arguing heatedly and discussing the latest events. Discussion that nothing could interrupt!É The house in which we lived overlooked

a courtyard, and even here, if you opened the window at night, you could hear a heated dispute. A soldier would be sitting there, and he always had an audience - usually some of the cooks or housemaids from next door, or some young people. An hour after midnight you could catch snatches of talk - 'Bolsheviks, Mensheviks' At three in the morning: 'Milyukov, Bolsheviks' At five - still the same street-corner-meeting talk, politics, etc. Petrograd's white nights are always associated in my mind now with those all-night political disputes." (N. Krupskaya, *Memories of Lenin*, pp. 351-2.)

The same picture is presented by John

Reed: "At the Front the soldiers fought out their fight with the officers, and learned self-government through their committees. In the factories those unique Russian organisations, the Factory-Shop Committees, gained experience and strength and a realisation of their historical mission by combat with the old order. All Russia was learning to read, and reading - politics, economics, history - because the people wanted to know. In every city, in most towns, along the Front, each political faction had its newspaper - sometimes several. Hundreds of thousands of pamphlets were distributed by thousands of organisations, and poured into the armies, the villages, the factories, the

streets. The thirst for education, so long thwarted, burst with the Revolution into a frenzy of expression. From Smolny Institute alone, the first six months, went out every day tons, car-loads, train-loads of literature, saturating the land. Russia absorbed reading matter like hot sand drinks water, insatiable. And it was not fables, falsified history, diluted religion, and the cheap fiction that corrupts - but social and economic theories, philosophy, the works of Tolstoy, Gogol, and GorkyÉ

"Lectures, debates, speeches - in theatres, circuses, school-houses, clubs, Soviet meeting-rooms, Union headquarters, barracksÉ Meetings in the

trenches at the Front, in village squares, factoriesÉ What a marvellous sight to see Putilovsky Zavod (the Putilov factory) pour out its forty thousand to listen to Social Democrats, Socialist Revolutionaries, Anarchists, anybody, whatever they had to say, as long as they would talk! For months in Petrograd, and all over Russia, every street-corner was a public tribune. In railway-trains, street-cars, always the spurting up of impromptu debate, everywhere." (John Reed, op. cit. p. 14-5) The thirst for ideas was reflected in an enormous interest in the printed word. John Reed describes the situation with the soldiers in the front line: "We came down to the front of the Twelfth Army, back of Riga,

where gaunt and bootless men sickened in the mud of desperate trenches; and when they saw us they started up, with their pinched faces and the flesh showing blue through their torn clothing, demanding eagerly, 'Did you bring anything to *read*'?' (Ibid., p. 16, emphasis in original.)

The Bolshevik Party gained because it stood for the only programme that showed a way out. Lenin's celebrated slogan was - "Patiently explain!" The masses were able to experience the programmes of the Mensheviks and Social Revolutionaries in practice, and discarded them. The votes for the Bolshevik candidates in the soviets

steadily increased to the point where, by September they had won the majority in Petrograd, Moscow, Kiev, Odessa and all the major cities. At this point, the question of a transfer of power from the discredited Provisional Government, which represented only itself, to the soviets, the democratic organs of the mass of workers and soldiers (overwhelmingly peasants) was an imperative necessity. The growth of the Bolshevik Party in this period is something without precedent in the history of political parties. From only around 8,000 members in February, it grew to 177,000 by the Sixth Congress in July. Moreover, we must remember that this was achieved despite an

extremely weak apparatus, and in conditions of severe persecution. Krupskaya writes: "The growth of Bolshevik influence, especially among the troops, was obvious. The Sixth Congress welded the forces of the Bolsheviks still closer. The appeal issued in the name of the Sixth Party Congress spoke about the counter-revolutionary position taken by the Provisional Government, and about the impending world revolution and the battle of classes." (N. Krupskaya, *Memories of Lenin*, pp. 369-70.) The numerical growth of the Party only partly expressed the rapid growth in its mass influence, above all in the workers' and soldiers' soviets. Marcel Liebman

describes the Party's progress thus:

"Lenin's Party recorded, all through the year 1917, remarkable and almost constant election successes. Whereas at the beginning of the revolution it had only small representation in the Petrograd Soviet, by May the Bolshevik group in the workers' section of that institution possessed almost an absolute majority. One month later, during the first conference of the factory committees of Petrograd, three-quarters of the 568 delegates expressed support for the Bolshevik theses. Yet it was only at the end of the summer that the Leninists reaped the full harvest of their policy of opposition to the Provisional

Government. In the Petrograd municipal elections in June the Bolsheviks received between 20 and 21 per cent of the votes; in August, when the Party was still suffering from the consequences of the July days, it received 33 per cent. In Moscow in June the Bolsheviks had received a little over 12 per cent of the votes. In September they won an absolute majority, with 51 per cent of the votes. That their grip was especially strong among the working class is clear from the advance of their representation at the factory-committee conferences. In Petrograd, by September, there were no more Mensheviks or Social Revolutionaries present at the regional meetings of these bodies, their places

having been taken by Bolsheviks." (Liebman, op. cit. p. 206.)

We will give the last word on this subject to a prominent opponent of Bolshevism, who was also an eye witness and historian of the Russian Revolution, the Menshevik Sukhanov. Describing the situation in the last days of September, he writes: "The Bolsheviks were working stubbornly and without let-up. They were among the masses, at the factory-benches, every day without a pause. Tens of speakers, big and little, were speaking in Petersburg, at the factories and in the barracks, every blessed day. For the masses they had become their own

people, because they were always there, taking the lead in details as well as in the most important affairs of the factory or barracks. They had become the sole hopeÉ The mass lived and breathed together with the Bolsheviks." (Ibid., p. 207.)

Party and class

The Russian Revolution took place over nine months. During that period, the Bolshevik Party, using the most democratic means, won over the decisive majority of the workers and poor peasants. The fact that they succeeded so easily in overcoming the resistance of the Kerensky forces can

only be explained by this fact.

Moreover, as we shall see, there is no way that the Bolsheviks could have held onto power, without the support of the overwhelming majority of society. At every stage, the decisive role was played by the active intervention of the masses. This is what set its stamp on the whole process. The ruling class and its political and military representatives could only grind their teeth, but were powerless to prevent power from slipping from their hands. True, they were involved in constant conspiracies against the Revolution, including the armed uprising of General Kornilov, which aimed at overthrowing Kerensky and instituting a military dictatorship,

but all of this foundered on the movement of the masses.

The fact that the masses supported the Bolsheviks was accepted by everyone at the time, including the staunchest enemies of the Revolution. Naturally, they put this down to all kinds of malign influences, "demagogy", the immaturity of the workers and peasants, their supposed ignorance, and all the rest of the arguments which are essentially directed against democracy itself. How it came about that the masses only became ignorant and immature when they ceased to support the Provisional Government must be one of the greatest mysteries since Saint Paul saw the light

on the road to Damascus. But if we leave aside the obvious motivation of spitefulness, malice and impotent rage, we can see that the following passage from a rightwing paper constitutes a valuable admission that the Bolsheviks indeed enjoyed the support of the masses. On the 28th October, Russkaya Volya wrote the following:

"What are the chances of Bolshevik success? It is difficult to answer that question, for *their principal support is the É ignorance of the popular masses*. They speculate on it, they work upon it by a demagogy which nothing can stop." (Quoted in J. Reed, op. cit., p. 298, my emphasis.)

It is impossible to understand what happened in 1917 without seeing the fundamental role of the masses. The same is true of the French Revolution of 1789-94, a fact which historians frequently fail to grasp (there are exceptions, notably the anarchist Kropotkin, and, in our own times, George Rudé). But here for the first time in history, if we exclude the brief but glorious episode of the Paris Commune, the working class actually succeeded in taking power and at least beginning the socialist transformation of society. That is precisely why the enemies of socialism are compelled to lie about the October Revolution and slander it. They cannot forgive Lenin and the Bolsheviks

for having succeeded in leading the first successful socialist revolution, for proving that such a thing is possible, and therefore pointing the way for future generations. Such a precedent is dangerous! It is therefore necessary to "prove" (with the assistance of the usual crew of "objective" academics) that this was all a very bad business, and must not be repeated.

The claim that the October Revolution was only a coup is often justified by pointing to the relatively small numbers actually involved in the insurrection itself. This apparently profound argument does not resist the slightest scrutiny. In the first place, it confuses the

armed insurrection with the revolution, that is to say, it confuses the part with the whole. In reality, the insurrection is only a part of the revolution - a very important part, it is true. Trotsky likens it to the crest of a wave. As a matter of fact, the amount of fighting that took place in Petrograd was very small. One can say that it was bloodless. The reason for this was that nine-tenths of the tasks were already accomplished beforehand, by winning over the decisive majority of the workers and soldiers. It was still necessary to use armed force to overcome the resistance of the old order. No ruling class has ever surrendered power without a fight. But resistance was minimal. The government collapsed

like a house of cards, because nobody was prepared to defend it.

In Moscow, mainly because of the mistakes of the local Bolsheviks, who did not act with sufficient energy, the counter-revolutionary Junkers initially went onto the offensive and carried out a massacre. Despite this, incredibly, they were allowed to go free on giving their word that they would not participate in any further violent acts against the Soviet power. This kind of thing was quite typical of the early days of the Revolution, characterised by a certain naivety on the part of the masses who had yet to understand of what terrible violence the defenders of the old order

were capable. Far from being a bloodthirsty regime of terror, the Revolution was an extraordinarily benign affair - until the counter-revolution showed its real nature. The White General P. Krasnov was one of the first to lead an uprising against the Bolsheviks at the head of the Cossacks. He was defeated by the Red Guards and handed over by his own Cossacks, but again was released on parole. Of this Victor Serge writes correctly:

"The revolution made the mistake of showing magnanimity to the leader of the Cossack attack. He should have been shot on the spot. At the end of a few days he recovered his liberty, after giving his

word of honour never to take up arms again against the revolution. But what value can promises of honour have towards enemies of fatherland and property? He was to go off to put the Don region to fire and the sword." (Serge, *Year One of the Russian Revolution*, p. 87.)

Do the relatively small numbers involved in the actual fighting mean that the October overturn was a coup? There are many similarities between the class war and war between nations. In the latter too, only a very small proportion of the population are in the armed forces. And only a small minority of the army is at the front. Of the latter, even in

the course of a major battle, only a minority of the soldiers are normally engaged in fighting at any given time. Experienced soldiers know that a lot of time is spent waiting in idleness, even during a battle. Very often the reserves are never called into action. But without the reserves, no responsible general would order an advance. Moreover, it is not possible to wage war successfully without the wholehearted support of the population at home, even though they do not directly participate in the fighting. This lesson was carved on the nose of the Pentagon in the latter stages of the Vietnam war.

The argument that the Bolsheviks were

able to take power without the masses (a coup) is usually linked to the idea that power was seized, not by the working class, but by a party. Again, this argument is entirely false. Without organisation - the trade unions and the party - the working class is only raw material for exploitation. This was already pointed out by Marx long ago. True, the proletariat possesses enormous power. Not a wheel turns, not a light bulb shines, without its permission. But without organisation, this power remains as just potential. In the same way, steam is a colossal force, but without a piston box, it will be harmlessly dissipated in the air. In order that the strength of the working class should cease to be a mere

potential and become a reality, it must be organised and concentrated in a single point. This can only be done through a political party with a courageous and far-sighted leadership and a correct programme. The Bolshevik Party under the leadership of Lenin and Trotsky was such a party. Basing themselves on the movement of the masses - a magnificent movement that represented all that was alive, progressive and vibrant in Russian society, they gave it form, purpose and a voice. That is its cardinal sin from the standpoint of the ruling class and its echoes in the labour movement. That is what lies behind their hatred and loathing of Bolshevism, their vitriol and spiteful attitude towards it,

which completely conditions their attitude even three generations later.

Without the Bolshevik Party, without the leadership of Lenin and Trotsky, the Russian workers would never have taken power in 1917, despite all their heroism. The revolutionary party cannot be improvised on the spur of the moment, any more than a general staff can be improvised on the outbreak of war. It has to be systematically prepared over years and decades. This lesson has been demonstrated by the whole of history, especially the history of the twentieth century. Rosa Luxemburg, that great revolutionary and martyr of the working class, always emphasised the

revolutionary initiative of the masses as the motor force of revolution. In this, she was absolutely right. In the course of a revolution the masses learn rapidly. But a revolutionary situation, by its very nature, cannot last for long. Society cannot be kept in a permanent state of ferment, nor the working class in a state of white-hot activism. Either a way out is shown in time, or the moment will be lost. There is not enough time to experiment or for the workers to learn by trial and error. In a life and death situation, errors are paid for very dearly! Therefore, it is necessary to combine the "spontaneous", movement of the masses with organisation, programme, perspectives, strategy and

tactics - in a word, with a revolutionary party led by experienced cadres. There is no other way.

It is necessary to add that at every stage the Bolsheviks always had before them the perspective of the international revolution. They never believed that they could hold power in Russia alone. It is a striking testimony to the vitality of the October Revolution that, in spite of all the vicissitudes, all the crimes of Stalinism and the terrible destruction of the second world war, the basic conquests were maintained for so long, even when the revolution, deprived of aid from the rest of the world, was thrown upon its own resources. Even in

the last period, the collapse of Stalinism was not the result of any inherent defect of the nationalised planned economy, but flowed from treachery and betrayal of the bureaucracy which, as Trotsky brilliantly predicted, sought to reinforce its privileges by selling out to capitalism.

'All power to the soviets!'

As a corollary of the slanders against October, we have the attempt to paint the February Revolution in glowing colours. The "democratic" regime of Kerensky, it is alleged, would have led Russia into a glorious future of prosperity, if only the Bolsheviki had not spoilt it all. Alas!

The idealisation of the February Revolution does not stand up to the least scrutiny. The February 1917 Revolution - which had overthrown the old Tsarist regime - had not solved one of the tasks of the national-democratic revolution: land reform, a democratic republic, the national question. It was not even capable of bringing about the most elementary demand of the masses - for an end to the imperialist slaughter and the conclusion of a democratic peace. In short, the Kerensky regime in the course of nine months gave ample proof of its total inability to meet the most basic needs of the Russian people. It was this fact, and this alone, which enabled the Bolsheviks to come to power with the

support of the decisive majority of society.

Emerging from the ravages of the first world war, Tsarist Russia was a semi-colony particularly of France, Germany, and Britain. Russia produced less than 3 per cent of world industrial output. It could not compete on a world scale. For every hundred square kilometres of land, there were only 0.4 kilometres of rail track. Around 80 per cent of the population eked out a bare existence on the land, which was fragmented into millions of smallholdings. The Russian bourgeoisie had entered onto the stage of history too late. It had failed to carry out any of the tasks of the bourgeois-

democratic revolution, that had been solved in Britain and France in the seventeenth and eighteenth centuries. On the contrary, the Russian capitalists leaned on imperialism on the one hand and the Tsarist autocracy for support on the other. They were linked by a thousand threads to the old landlords and aristocrats. Horrified by the 1905 Revolution, the bourgeoisie had become more conservative and suspicious of the workers. They had no revolutionary role to play. "Whereas in the dawn of its history it was too unripe to accomplish a Reformation," states Trotsky, "when the time came for leading a revolution it was overripe." (Trotsky, *History of the Russian Revolution*, Vol. 1, p. 28.)

The only revolutionary class in Russia was the young, small, but highly concentrated proletariat. Arising from the law of uneven and combined development, a backward country assimilates the material and intellectual conquests of the advanced countries. It does not slavishly reproduce all the stages of the past, but skips over a whole series of intermediate stages. This gives rise to a contradictory development, where the most advanced features are superimposed upon extremely backward conditions. Foreign investment had meant the creation of highly advanced concentrated factories and industries in Russia. The peasants were uprooted, thrown into industry, and proletarianised

over night. It fell to this youthful proletariat - which had none of the conservative traditions of its counterpart in the West - to take Russian society out of the impasse it faced. The attempt to counterpose the February regime to October has no foundation whatever. Had the Bolsheviks not taken power, the future that faced Russia was not one of prosperous capitalist democracy, but fascist barbarism under the jackboot of Kornilov or one of the other White generals. Such a development would have signified, not advance, but a terrible regression.

In the October Revolution, the victorious proletariat first had to tackle the basic

problems of the national-democratic revolution, then went on, uninterruptedly, to carry out the socialist tasks. This was the very essence of the permanent revolution. Capitalism had broken at its weakest point, as Lenin explained. The October Revolution represented the beginning of the world socialist revolution. The revolution of February had spontaneously thrown up committees of workers and soldiers, as had the revolution of 1905. The committees, or soviets, became transformed from extended strike committees into political instruments of the working class in the struggle for power, and later into administrative organs of the new workers' state. They were far more

democratic and flexible than the territorially elected bodies of bourgeois democracy. To paraphrase Marx, capitalist democracy allows the workers every five years to elect parties to misrepresent their interests. In Russia, with the establishment of peasants' soviets, they embraced the overwhelming majority of the population.

Throughout the nine months between February and October, the soviets represented a rival power to the capitalist state. It was a period of "dual power". One of the key demands of the Bolsheviks throughout this time was: "All power to the soviets!" Months of

patient explanation and the harsh experience of events won over the overwhelming majority of the workers and poor peasants to Bolshevism. The October Revolution brought to power a new revolutionary government, which took its authority from the Congress of Soviets. Contrary to common belief, it was not a one-party regime but originally a coalition government of Bolsheviks and Left Social Revolutionaries. The urgent task facing the government was to spread the authority of Soviet power - the rule of the working class - throughout all Russia. On the 5th January 1918, the government issued a directive which declared that the local soviets were from

then on invested with all the powers held by the former administration, and added: &"The entire country must be covered with a network of new soviets."

The system of soviets was not, as the reformists claim, an exclusively Russian phenomenon. The November 1918 Revolution in Germany spontaneously threw up similar bodies. They were the embodiment of workers' self organisation. In every German port, town and barracks, workers', soldiers' and sailors' councils were established and held effective political power. Soviets were established in Bavaria and during the Hungarian Revolution of 1919. In Britain also, Councils of Action

were established in 1920, which were described by Lenin as "soviets in all but name", as well as during the 1926 General Strike (committees of action and trades councils). Although the Stalinists and reformists tried to prevent the reappearance of soviets, they re-emerged in the Hungarian Revolution of 1956, with the creation of the Budapest Workers' Council.

In its origins, the soviet - the most democratic and flexible form of popular representation yet devised - was simply an extended strike committee. Born in mass struggle, the soviets (or workers' councils) assumed an extremely broad sweep, and ultimately became

transformed into organs of revolutionary direct government. Beside the local soviets, elected in every city, town and village, in every large city there were also ward (raionny) soviets as well as district or provincial (oblastny or gubernsky) soviets, and finally delegates were elected to the Central Executive Committee of the All-Russian Soviets in Petrograd. The delegates were elected at every unit of labour to the Soviets of Workers', Soldiers' and Peasants' Deputies, and subject to immediate recall. There was no bureaucratic elite. No deputy or official received more than the wage of a skilled worker.

The Soviet government issued a whole series of economic, political, administrative and cultural decrees in the immediate aftermath of the revolution. At a grassroots level, there was a mushrooming of soviet organisation. Everywhere attempts were made to do away with the distinction between legislative and executive functions, to allow individuals to participate directly in the application of decisions they had made. As a consequence, the masses began to take their destiny into their own hands. In November 1917 Lenin wrote an appeal in Pravda: "Comrades, working people! Remember that now you yourselves are at the helm of state. No one will help

you if you yourselves do not unite and take into your hands all affairs of stateÉ Get on with the job yourselves; begin right at the bottom, do not wait for anyone." (LCW, Vol. 26, p. 297.) He was anxious for the masses to involve themselves in the running of industry and the state.

In December 1917 Lenin wrote: "One of the most important tasks of today, if not the most important, is to develop [the] independent initiative of the workers, and of all the working and exploited people generally, develop it as widely as possible in creative organisational work. At all costs we must break the old, absurd, savage, despicable and

disgusting prejudice that only the so-called upper classes, only the rich, and those who have gone through the school of the rich, are capable of administering the state and directing the organisational development of socialist society." (LCW, Vol. 26, p. 409.)

The myth of the Constituent Assembly

Among all the numerous legends put in circulation in order to portray the October Revolution in an unfavourable light, that of the Constituent Assembly is perhaps the most persistent. According to this, the Bolsheviks before the revolution had advocated a democratically elected parliament

(Constituent Assembly), yet after the revolution they disbanded it. Since they were in a minority, the argument goes, they decided to dissolve the democratically elected parliament and resort to dictatorship. This argument overlooks a number of fundamental questions. In the first place, the demand for a Constituent Assembly - which undoubtedly played a progressive role in mobilising the masses, especially the peasantry, against the Tsarist autocracy - was only one of a series of revolutionary-democratic demands, and not necessarily the most important one. The masses were won over to the revolution on other demands, notably "Peace, Bread and Land". These, in turn,

became a reality only because they were linked to another demand - all power to the soviets.

The February Revolution failed precisely because it was not capable of satisfying these most pressing needs of the population. The complete impotence of the Kerensky regime was not accidental. It reflected the reactionary character of the Russian bourgeoisie. The capitalist class of Russia was a very weak class, tied hand and foot to the landlords, and subordinate to world imperialism. Only the revolutionary transfer of power into the hands of the most resolutely revolutionary part of society, the working class, made

possible the ending of the war and the distribution of land to the peasants. This was the function of the October Revolution.

The calling of elections to the Constituent Assembly the following year was almost in the nature of an afterthought. The Bolsheviki intended to use this to try to mobilise the majority of the peasantry and rouse them to political life. But above all from the standpoint of the peasantry, formal parliamentary democracy is worse than useless if it does not carry out policies that solve their most pressing needs. Under certain circumstances, the Constituent Assembly could have played a progressive role.

But in practice, it became clear that this Constituent Assembly could only be an obstacle and a rallying point for the counter-revolution. Here, the slow moving mechanism of parliamentary elections lagged far behind the swift current of revolution. The real attitude of the peasantry was revealed in the civil war, when the right Social Revolutionaries (SRs) and most of the Mensheviks collaborated with the Whites.

At the time of the October Revolution, the Soviets of Workers' and Soldiers' Deputies represented all that was alive and dynamic in Russian society. The working class voted for the Bolsheviks

in the soviets, which were much more democratic than any parliament. At the same time, the soldiers, of whom a big majority were peasants also voted overwhelmingly for the Bolsheviks:

Votes

Percentages

Party

June

September

June

September

Social Revolutionaries

974,885

54,374

58

14

Mensheviks

76,407

15,887

12

4

Kadets

168,781

101,106

17

26

Bolsheviks

75,409

198,230

12

51

(Source, Anweiler, p. 188.)

These figures show, on the one hand, a growing polarisation between the classes, to the right (note the vote of the bourgeois Kadet party) and the left, and a collapse of the parties of the "centre", the Mensheviks and SRs. But the most striking feature is the sweeping victory of the Bolsheviks, who, from a mere 12 per cent in June were now an absolute majority. What this shows is that the Bolsheviks had the support of the overwhelming majority of the workers, and a sizeable section of the peasants also. In November 1917 the Menshevik leader Y.O. Martov himself had to admit that "almost the entire proletariat

supports Lenin". (Quoted in Liebman, op. cit., p. 218.) Precisely on this basis, the Bolsheviks were able to overthrow the discredited Provisional Government and take power with a minimum of resistance. These facts alone give the lie to the myth of the October Revolution as a coup.

Thus, the democratic legitimacy of the October Revolution was clearly established. But this was not reflected in the elections to the Constituent Assembly, when the Bolsheviks only got 23.9 per cent of the votes (to which must be added the votes of the Left SRs):

Constituent Assembly (in votes):

Russian SRs

15,848,004

Ukrainian SRs

1,286,157

Peasant Parties

Ukrainian socialist coalition

3,556,581

Total SRs and allies

20,690,742

Bolsheviks

9,844,637

Mensheviks

1,364,826

Workers Parties

Other socialists

601,707

Kadets

1,986,601

Conservative Russian groups

1,262,418

Bourgeois and rightwing parties

Nationalist groups

2,620,967

Constituent Assembly (in seats)

Russian SRs

299

Ukrainian SRs

81

Left SRs

39

Bolsheviks

168

Mensheviks

18

Other socialists

4

Kadets

15

Conservatives

2

Nationalist groups

77

(Source, Anweiler, p. 220.)

Despite this, the Bolsheviks remained firmly in power. Why? The right SRs had traditionally led the peasants, going

back to the time of the Narodniks at the turn of the century. These middle class elements were the traditional village aristocracy - teachers, lawyers, and the "gentlemen who spoke well". During the first world war, many of them became army officers. At the time of the February Revolution, these democratic revolutionaries exercised a considerable influence among the peasant soldiers. Their vague and amorphous "revolutionism" corresponded to the first stirring of consciousness among the peasantry. But the tide of revolution flows fast. Soon after the February Revolution, the right SRs betrayed the peasantry by abandoning the programme of peace, and the revolutionary struggle

for land.

Where could the peasants in uniform turn for support? Once awakened to political life, the peasant masses, specially the most active layer in the army whose experience of the war raised them to a higher level of understanding than their brothers in the villages, soon came to understand the need for a revolutionary overturn in order to conquer peace, bread and land. This could only be achieved by a revolutionary alliance with the proletariat. The realisation of this fact was registered in the Soviet elections by a sharp swing to the left. By the autumn of 1917, the old right SR leaders had lost their base among the

soldiers, who went over in droves to the left SRs and their Bolshevik allies.

The elections to the Constituent Assembly were organised in a hurry after the revolution on the basis of electoral lists drawn up before October. The peasantry had not yet had time to understand the processes that were taking place. The split between the left and right SRs had not yet taken place. There was not time for the peasantry as a whole to grasp the meaning of the October Revolution and Soviet power, particularly in the vital fields of land reform and peace. The dynamics of a revolution cannot be easily translated into the cumbersome mechanism of

parliamentarism. In the elections to the Constituent Assembly, the inert masses of the backward countryside was thrown into the balance. Weighed down by the ballast of a thousand years of slavery, the villages lagged behind the towns.

These right SRs were not the political representatives but the political exploiters of the peasantry. Implacably hostile to the October Revolution, they would have handed back power to the landlords and capitalists in the kind of democratic counter-revolution which robbed the German working class of power in November 1918. There were two mutually exclusive centres of power. The reactionaries rallied around

the slogan: "All Power to the Constituent Assembly." Faced with this situation, the Bolsheviks, with the support of the Left SRs, did not hesitate to place the interests of the revolution before constitutional niceties. Basing themselves on the soviets, the Bolsheviks dissolved the Constituent Assembly. There was no resistance. This incident now causes an indignant reaction in some quarters. And yet, we are left with a self-evident contradiction. If the Constituent Assembly really represented the will of the masses, why did nobody defend it? Not a hand was raised in its defence, precisely because it was an unrepresentative anachronism. The reason for this was very well

explained by the celebrated English historian of the Russian Revolution, E.H. Carr:

"The SRs had gone to the polls as a single party presenting one list of candidates. Its election manifesto had been full of lofty principles and aims but, though published on the day after the October Revolution, had been drafted before that event and failed to define the party attitude towards it. Now three days after the election the larger section of the party had made a coalition with the Bolsheviks, and formally split away from the other section which maintained its bitter feud against the Bolsheviks. The proportion between Right and Left

SRs in the Constituent Assembly - 370 to 40 - was fortuitous. It was entirely different from the corresponding proportion in the membership of the peasants' congress, and did not necessarily represent the views of the electors on a vital point which had not been before them. 'The people,' said Lenin, 'voted for a party which no longer existed.' Reviewing the whole issue two years later Lenin found another argument which was more cogent than it appeared at first sight. He noted that in the large industrial cities the Bolsheviks had almost everywhere been ahead of the other parties. They secured an absolute majority in the two capitals taken together, the Kadets here being second

and the SRs a poor third. But in matters of revolution the well-known principle applied: 'the town inevitably leads the country after it; the country inevitable follows the town.' The elections to the Constituent Assembly, if they did not register the victory of the Bolsheviks, had clearly pointed the way to it for those who had eyes to see." (E.H. Carr, *The Bolshevik Revolution, 1917-1923*, Vol. 1, pp. 121-2.)

This was admitted in so many words by Kerensky himself, who wrote the following in his memoirs: "The opening of the Constituent Assembly ended as a tragic farce. Nothing happened to give it the quality of a memorable final stand in

defence of freedom." (Alexander Kerensky, *The Kerensky Memoirs - Russia and History's Turning-Point*, p. 470.)

The peasantry and the soviets

The October Revolution was almost peaceful because no class was prepared to defend the old order, either the Provisional Government or the Constituent Assembly, as Kerensky here acknowledges. The peasants were not prepared to fight to defend the Constituent Assembly. By contrast, in the civil war which followed, the majority of the peasants rallied to the Bolsheviki once they had experienced the rule of the

White Guards, and saw the role of the right SRs and Mensheviks who invariably paved the way for the White counter-revolution. Under the dictatorship of the various White generals, the old landlords returned. The peasants maybe did not understand much about politics, but they understood that the Bolsheviks alone were prepared to give them the land - which they did by decree on the day after the revolution - whereas the so-called peasant parties were merely a fig leaf for the return of the old slave owners. And that was enough to decide the issue.

In his recently published book *A People's Tragedy - The Russian*

Revolution, 1891-1924 which, for some reason or other, purports to be a serious study of the Russian Revolution, Orlando Figes loses no opportunity to display a particularly poisonous hostility to Bolshevism. This is typical of the new style - one might almost call it a genre of "academic" histories, the sole intention of which is to slander Lenin and identify the October Revolution with Stalinism. Yet even this author is compelled to admit that:

"There was an even more profound indifference among the peasantry, the traditional base of support of the SR Party. The SR intelligentsia had always been mistaken in their belief that the

peasants shared their veneration for the Constituent Assembly. To the educated peasants, or those who had long been exposed to the propaganda of the SRs, the Assembly perhaps stood as a political symbol of 'the revolution.' But to the mass of the peasants, whose political outlook was limited to the narrow confines of their own village and fields, it was only a distant thing in the city, dominated by the 'chiefs' of the various parties, which they did not understand, and was quite unlike their own political organisations. It was a national parliament, long cherished by the intelligentsia, but the peasants did not share the intelligentsia's conception of the political nation, its language of

'statehood' and 'democracy,' of 'civic rights and duties,' was alien to them, and when they used this urban rhetoric they attached to it a specific 'peasant' meaning to suit the needs of their own communities. The village soviets were much closer to the political ideals of the mass of the peasants, being in effect no more than their own village assemblies in a more revolutionary form. Through the village and volost soviets the peasants were already carrying out their own revolution on the land, and they did not need the sanction of a decree by the Constituent Assembly (or, for that matter, the Soviet government itself) to complete this. The Right SRs could not understand this fundamental fact: that the

autonomy of the peasants through their village soviets had, from their point of view, reduced the significance of any national parliament, since they had already attained their volia, the ancient peasant ideal of self-rule. To be sure, out of habit, or deference to their village elders, the mass of the peasants would cast their votes for the SRs in the election to the Constituent Assembly. But very few were prepared to fight the SR battle for its restoration, as the dismal failure of the Komuch would prove in the summer of 1918. Virtually all the resolutions from the villages on this question made it clear that they did not want the Assembly to be restored as the 'political master of the Russian land,' in

the words of one, with a higher authority than the local soviets." (O. Figes, *A People's Tragedy - The Russian Revolution, 1891-1924*, pp. 518-9.)

And as an illustration of this fact, Figes quotes the words of the Right SR Boris Sokolov, who was closely acquainted with the opinions of the rank and file peasant from his work as an SR agitator in the army:

"The Constituent Assembly was something totally unknown and unclear to the mass of the front-line soldiers, it was without doubt a terra incognita. Their sympathies were clearly with the soviets. These were the institutions that

were near and dear to them, reminding them of their own village assembliesÉ I more than once had occasion to hear the soldiers, sometimes even the most intelligent of them, object to the Constituent Assembly. To most of them it was associated with the State Duma, an institution that was remote to them. 'What do we need some Constituent Assembly for, when we already have our soviets, where our own deputies can meet and decide everything?' (Ibid., p. 519.)

Incidentally, the indignant protests of bourgeois historians on this subject reveal either complete ignorance of history, or else a highly selective

memory. The leader of the English Revolution, Oliver Cromwell, used his Model Army to disperse the Parliament for reasons very similar to those that convinced the Bolsheviks of the need to close down the Constituent Assembly. The moderate Presbyterians who dominated the Parliament represented the first unclear incoherent awakening of the Revolution. At a certain stage, they became transformed into a conservative force, blocking the road of the radicalised petty bourgeois masses who wanted to go further. There is no doubt that the removal of this obstacle was fundamental to the victory of the Roundheads.

Analogous processes occurred in the French Revolution, when the most consistent revolutionary trend associated with the Jacobins repeatedly purged the National Convention and indeed sent its opponents to the guillotine. Again, it is clear that without such determined action, the revolution could never have triumphed against the powerful enemies ranged against it inside and outside the borders of France. All kinds of legalistic and moralistic arguments have been levelled against the Jacobins. But these miss the point. The essence of a revolution is that it is a decisive break with the old order. The ferocious resistance of the old possessing classes sometimes compels it to take drastic

measures for its own self-preservation. But nobody has yet explained how Cromwell or Robespierre could have acted in any other way and succeeded in carrying out the Revolution. After dispersing the Long Parliament, Cromwell commented that: "There was not so much as the barking of a dog or any general and visible repining at it." (Sir Charles Firth, *Oliver Cromwell*, p. 319.) The same could be said of the reaction of the masses to the dissolution of the Constituent Assembly. At any rate up to the imperialist intervention, the Bolshevik Revolution was infinitely more peaceable than either of its great precursors.

At the Third All-Russian Congress of Soviets in January 1918, Lenin said: "Very often delegations of workers and peasants come to the government and ask, for example, what to do with such-and-such a piece of land. And frequently I have felt embarrassed when I saw that they had no very definite views. And I said to them: you are the power, do all you want to do, take all you want, we shall support you" (LCW, Vol. 26, p. 468.) At the Seventh Party Congress, a few months later, he emphasised that "socialism cannot be implemented by a minority, by the Party. It can be implemented only by tens of millions when they have learned to do it themselves". (LCW, Vol. 27, p. 135.)

These statements of Lenin, which can be duplicated at will, reflected his deeprooted confidence in the ability of working people to decide their own future. It contrasts sharply to the lies of the bourgeois historians who have attempted to smear the democratic ideas of Leninism with the crimes of Stalinism. This "dictatorship of the proletariat" was in every sense a genuine workers' democracy, unlike the later totalitarian regime of Stalin. Political power was in the hands of the masses represented through the soviets. At first even the capitalist parties (apart from the extremely reactionary and anti-Semitic Black Hundreds) were left free to organise. It was only the exigencies of

the subsequent civil war and the dangerous activities of the saboteurs and counter-revolutionaries that forced the Bolsheviks to ban other parties, as a temporary measure. For instance, the Left Social Revolutionaries moved into opposition and threatened to sabotage the revolution by murdering the German ambassador Count Mirbach in order to push Russia into war with Germany. The Left SRs also carried out a failed assassination attempt against Lenin in 1918, but which eventually cut short his life six years later.

No sooner had the workers and peasants taken power, than they were faced with armed imperialist intervention to

overthrow the Soviet power. Early in 1918, British and French naval forces occupied Murmansk and Archangel in northern Russia. Within days their forces were marching on Petrograd. In April, the Japanese landed at Vladivostok, and an "Omsk All-Russian government" was established. Within two months this government was overthrown by a coup which established Admiral Kolchak as dictator. Meanwhile, German imperialism occupied Poland, Lithuania, Latvia and the Ukraine in collusion with White Guard Generals Krasnov and Wrangel. The pretext used was to assist the "population struggling against Bolshevik tyranny". In a pincer movement, the Bolsheviks were in

danger of losing Petrograd in the autumn of 1919. "We were between hammer and anvil," wrote Trotsky. (Trotsky, *My Life*, p. 411.)

A lot of noise is made about the so-called Red Terror and the violent means used by the Revolution to defend itself. But what is conveniently forgotten is that the actual October Revolution was virtually peaceful. The real bloodbath occurred in the civil war when the Soviet republic was invaded by 21 foreign armies. The Bolsheviks inherited a ruined country and a shattered army. They were immediately faced with an armed rebellion by Kerensky and the White officers, and later by the armies of

foreign intervention. At one stage, the Soviet power was reduced to just two provinces, the equivalent of the ancient Principality of Muscovy. Yet the Bolsheviks managed to beat back the counter-revolution. Even if we assume (incorrectly) that Lenin and Trotsky somehow managed to seize power at the head of a small group of conspirators without mass support, the idea that they could go on to defeat the combined might of the White Guards and foreign armies on such a basis, is frankly absurd.

War necessarily involves violence, and civil war more than any other. The weak and embattled workers' state was compelled to defend itself arms in hand,

or else surrender to the tender mercies of the White armies, which, in common with all counter-revolutionary armies in world history, used the most bestial and bloodthirsty methods to terrorise the workers and peasants. Had they triumphed, it would have meant an ocean of blood. There is nothing more comical than the assertion that, if only the Bolsheviks had not taken power, Russia would have embarked on the road of a prosperous capitalist democracy. How does this idea square with the facts? As early as the summer of 1917, the rising of General Kornilov showed that the unstable regime of dual power established in February was breaking down. The only question was who

would succeed in establishing a dictatorship - Kerensky or Kornilov.

To all the hypocritical attacks against the Bolsheviks for the so called Red Terror there is a very simple answer. Even the most democratic capitalist government on earth will never tolerate the existence of armed groups which attempt to overthrow the existing order by violent means. Such groups are immediately outlawed, and the leaders put in jail, or executed. This is regarded as perfectly lawful and acceptable. Yet the same standards are not applied to the embattled Bolshevik government, fighting for survival and attacked by enemies on all sides. The hypocrisy is

even more nauseating if we bear in mind the fact that precisely these "democratic" Western governments organised the most military offensives against the Bolsheviks at this time.

Already at the Versailles Peace Conference, the governments of the victorious Allies were preparing to overthrow the Bolsheviks: "Bullitt in his testimony before the Senate foreign relations committee thus described the prevailing mood at the Paris conference in April 1919: 'Kolchak made a 100-mile advance, and immediately the entire press of Paris was roaring and screaming on the subject, announcing that Kolchak would be in Moscow

within two weeks; and therefore everyone in Paris, including I regret to say members of the American commission, began to grow very lukewarm about peace in Russia, because they thought Kolchak would arrive in Moscow and wipe out the Soviet government'." (E.H. Carr, *The Bolshevik Revolution, 1917-1923*, Vol. 3, p. 121, footnote no. 1.)

The antidemocratic nature of the Russian bourgeoisie was evident even before the October Revolution, when they yearned for a Napoleon to restore "Order". According to the big capitalist Stepan Georgevich Lianozov:

"Revolution is a sickness. Sooner or later the foreign powers must intervene here - as one would intervene to cure a sick child, and teach it how to walk. Transportation is demoralised, the factories are closing down, and the Germans are advancing. Starvation and defeat may bring the Russian people to their senses." (Quoted in Reed, op. cit., p. 34.)

Incidentally, the revolting slander that Lenin was a "German agent", which is, incredibly, still in circulation, is at complete variance with the facts. It was not Lenin but the Russian bourgeoisie that was pro-German and wanted to sell Russia to the enemy in 1917, as

Lianozov's remarks show. This was not the exception but the rule after October. These "patriots" actually longed for the arrival of the German army. They preferred the foreign jackboot to the rule of the Russian workers and peasants. This pro-German mood was widespread among the propertied classes. Louise Bryant recalled a conversation at the house of a well-to-do Russian family:

"At the table the talk drifted to politics. Every one began to malign the Bolsheviki. They said it would be wonderful if the Germans would only come in and take possession. A discussion of the Germans followed and most of the company expressed

themselves in favour of a German invasion. Just for a test I asked them to vote on what they really would rather have - the soldiers' and workers' government or the Kaiser. All but one voted in favour of the Kaiser." (Louise Bryant, *Six Red Months in Russia*, pp. 126 and 131.)

Naked reaction

In the civil war that followed October, one reactionary general succeeded another. But the idea that democracy would have been implanted on Russian soil on the bayonets of the White guard is a self-evident nonsense. Behind the White's lines, the old landlords and

capitalists returned and took their revenge against the workers and peasants. The great majority of the peasants were not socialists, although they sympathised with the Bolsheviks for their revolutionary agrarian programme. But once they realised that the White armies were on the side of the landlords, any support they might have had melted away. The White generals represented Tsarist reaction in its most naked form. They anticipated Fascism, although they lacked its mass base. But that would not have made their rule any more pleasant. In payment for the fright they had suffered, and in order to teach the masses a lesson, they would have unleashed a reign of terror on a massive

scale. The Russian workers and peasants would have been subjected to the nightmare of a bourgeois totalitarian regime for years if not decades, on the lines of Franco or Pinochet. This would have been a regime of terrible social, cultural and economic decline.

The horrible atrocities of the White armies under A.I. Denikin, A.V. Kolchak, N. Yudenich, P.N. Wrangel, and others, reflected the panic of a doomed elite. Wrangel boasted that, after shooting one Red prisoner in ten, he would give the others the chance to prove their "patriotism" and "atone for their sins" in battle. Red prisoners were tortured to death, rebellious peasants

hanged, and ghastly pogroms were organised against the Jews in the occupied areas. And everywhere the power of the landlords was restored. As a means of self-defence, the Bolsheviki resorted to taking hostages. Victor Serge recalls:

"Since the first massacres of Red prisoners by the Whites, the murders of Volodarsky and Uritsky and the attempt against Lenin (in the summer of 1918), the custom of arresting and, often, executing hostages had become generalised and legal. Already the Cheka (the Extraordinary Commission for Repression against counter-revolution, speculation, and desertion),

which made mass arrests of suspects, was tending to settle their fate independently, under formal control by the Party, but in reality without anybody's knowledge. It was becoming a State within the State, protected by military secrecy and proceedings in camera. The Party endeavoured to head it with incorruptible men like the former convict Dzerzhinsky, a sincere idealist, ruthless but chivalrous" (V. Serge, *Memoirs of a Revolutionary 1901-1941*, p. 80, emphasis in original.)

In such a situation, excesses were inevitable, although Lenin and Dzerzhinsky did their best to prevent them. White atrocities provoked a

violent backlash:

"However, the massacres at Munich did reinforce the terrorist state of mind, and the atrocities committed at Ufa by Admiral Kolchak's troops, who burned Red prisoners alive, had lately enabled the Chekists to prevail against those Party members who hoped for a greater degree of humanity." (Ibid., p. 83.)

The main defence of the Revolution did not lie in the Cheka, but in the revolutionary internationalist policies of the Bolsheviks. Their revolutionary propaganda was having an effect on the war-weary troops of the imperialist armies. Discontent and open mutiny in

the armies of intervention forced the imperialists to withdraw. The international solidarity of the working class saved the Russian Revolution. The following extract gives a rough idea of the situation:

"Serious mutinies in the first months of 1919 in the French fleet and in French military units landed in Odessa and other Black Sea ports led to an enforced evacuation at the beginning of April. Of the troops of several nationalities under British command on the Archangel front the Director of Military Operations at the war Office reported in March 1919 that their morale was 'so low as to render them a prey to the very active and

insidious Bolshevik propaganda which the enemy are carrying out with increasing energy and skill.' The details were disclosed much later through official American reports. On the 1st March 1919, a mutiny occurred among French troops ordered to go up to the line; several days earlier a British infantry company 'refused to go to the front,' and shortly afterwards an American company 'refused for a time to return to duty at the front'." (E.H. Carr, *The Bolshevik Revolution, 1917-1923*, Vol. 3, p. 134.)

After the defeat of Kolchak, the Bolsheviks attempted to normalise the situation. In January 1920, with the

approval of Lenin and Trotsky, Dzerzhinsky recommended the abolition of the death sentence throughout the country, except in districts where there were military operations. On the 17th January the decree was passed by the government and signed by Lenin as president of the Council of People's Commissars. But within three months the situation changed again. Supported by Britain and France, the reactionary Polish regime of Pilsudski attacked Soviet Russia. The Poles captured Kiev. The Revolution was in mortal danger. The death penalty was reintroduced and the Cheka was given enlarged powers. Here, yet again, we see how foreign intervention aimed at restoring the old

order in Russia compelled the Revolution to use violent methods to defend itself.

Only a hypocrite would deny the right of a people to defend itself against the threat of bloody counter-revolution by all the means at its disposal. Of course, if one considers that it is better for the masses simply to turn the other cheek, and meekly accept oppression, then the methods of the Bolsheviks must stand condemned. Such a philosophy can only mean the permanent acceptance of each and every reactionary regime that ever existed. It would, in fact, rule out the process of social progress in general. Not morality or love of humanity, but

only the cowardly defence of the status quo, that is the rule of the exploiters, is the real motive of those who slander the October Revolution.

What crushed the White generals was not superior force of arms, but mass desertion, mutiny and constant risings in occupied areas. Under Trotsky, the Red Army was built into a revolutionary fighting force of more than five million soldiers. The White General Count Kidovstev could offer the masses very little: "To start with, it is clear that you must have a military dictatorship, and afterwards that might be combined with a business elementÉ"

Only the Bolsheviks prevented this catastrophe, organising the revolutionary people on a war footing. Under the inspired leadership of Leon Trotsky, the shattered remnants of the old army were rapidly welded into a new force - the Red Army. The very fact that the Red Army could be so rapidly created out of nothing is sufficient proof of the mass base of the revolution. At the outset, few people would have given much for the survival of the new regime. Against all the odds, the Red Army beat back the enemy on all fronts.

Trotsky's remarkable achievement was recognised even by the enemies of the revolution, as the following quotations

from German officers and diplomats prove:

"Max Bauer afterwards paid tribute to Trotsky as 'a born military organiser and leader,' and added:

"How he set up a new army out of nothing in the midst of severe battles and then organised and trained his army is absolutely Napoleonic.'

"And Hoffmann passed the same verdict:

"Even from a purely military standpoint one is astonished that it was possible for the newly recruited Red troops to crush the forces, at times still strong, of the White generals and to eliminate them entirely'." (E.H. Carr, *The Bolshevik Revolution*, 1917-1923, Vol. 3, p. 326.)

This victory of the oppressed underdogs in open struggle against their former masters is without doubt one of the most inspiring episodes in the annals of human history, so rich in defeated slave rebellions and similar tragedies. Again, we are entitled to ask the question to the slanderers of October: How does it come about that this tiny, unrepresentative group of conspirators succeeded in defeating the powerful White guard armies, backed by 21 foreign armies? Such a feat was only conceivable on the basis that the Bolsheviki had the active support, not only of the working class, but also of broad layers of the poor and middle peasants. At this point, the whole myth

of the conspiracy of a minority collapses under its own weight. The Bolshevik Revolution was no coup, but the most popular revolution in history. Only this explains how they were able, against all the odds, not only to take power, but to hold onto it firmly. And all this was done on the basis of a workers' democracy, a regime which gave the working class far greater rights than even the most democratic bourgeois regime.

Lenin's internationalism

The tide of revolution was sweeping throughout Europe. In November 1918, the German Revolution swept away the

Hohenzollern dynasty, forcing Kaiser Wilhelm to seek safety in the Netherlands. The revolution put an end to the first world war, as soviets were formed throughout Germany. General Golovin reported on his negotiations with Winston Churchill in May 1919 concerning continued British military intervention as follows: "The question of giving armed support was for him the most difficult one; the reason for this was the opposition of the British working class to armed interventionÉ" Mutinies in the French Fleet off Odessa, and in the other Allied armies, finally sealed the fate of further military expeditions to Russia. In 1920, the dockers of London's East India Docks

refused to load the Jolly George with secret munitions for Poland - for use against Soviet Russia.

The British prime minister Lloyd George wrote in a confidential memorandum to Clemenceau at the Versailles Peace Conference: "The whole of Europe is filled with the spirit of revolution. There is a deep sense not only of discontent but of anger and revolt amongst the workmen against prewar conditions. The whole existing order in its political, social and economic aspects is questioned by the masses of the population from one end of Europe to the other." (E.H. Carr, *The Bolshevik Revolution, 1917-1923*, Vol. 3, pp. 135-

6.)

With the cessation of foreign intervention, the Red Army quickly mopped up the remnants of the White armies. The news of revolution in Europe, led the Bolshevik Karl Radek to declare: "The world revolution had come. The mass of the people heard its iron tramp. Our isolation was over." Tragically, this proved premature. The first wave of revolution handed power to the leaders of Social Democracy, who derailed and betrayed the movement. Lenin saw the defeat of the first wave of the European revolution as a terrible blow that served to isolate the Soviet republic for a period. This was no

secondary matter, but a matter of life or death for the revolution. Lenin and the Bolsheviks had made it abundantly clear that if the revolution was not spread to the West, they would be doomed. On the 7th March 1918, Lenin weighed up the situation:

"Regarded from the world-historical point of view, there would doubtlessly be no hope of the ultimate victory of our revolution if it were to remain alone, if there were no revolutionary movements in other countries. When the Bolshevik Party tackled the job alone, it did so in the firm conviction that the revolution was maturing in all countries and that in the end - but not at the very beginning -

no matter what difficulties we experienced, no matter what defeats were in store for us, the world socialist revolution would come - because it is coming; would mature - because it is maturing and will reach full maturity. I repeat, our salvation from all these difficulties is an all-European revolution." (LCW, Vol. 27, p. 95.)

He then concluded: "At all events, under all conceivable circumstances, if the German Revolution does not come, we are doomed." (LCW, Vol. 27, p. 98.)

Weeks later he repeated the same position: "Our backwardness has put us in the front-line, and we shall perish unless we are capable of holding out

until we shall receive powerful support from workers who have risen in revolt in other countries." (Ibid., p. 232.)

The main task was to hold on to power for as long as possible. Lenin never envisaged the prolonged isolation of the Soviet state. Either the isolation would be broken or the Soviet regime would be doomed. Everything depended upon the world revolution. Its delay created enormous difficulties that were to have profound consequences. Instead of the withering away of the state, the opposite process took place. On the basis of destitution aggravated by the civil war and economic blockade, the "struggle for individual existence", to use Marx's

phrase, did not disappear or soften, but assumed in succeeding years an unheard of ferocity. Rather than building on the foundations of the most advanced capitalism, the Soviet regime was attempting to overcome pre-socialist and pre-capitalist problems. The task became "catch up with Europe and America". This was very far from the "lowest stage of communism" envisaged by Marx. The Bolsheviks were forced to tackle economic and cultural problems that had long ago been solved in the West. Lenin once declared that socialism was "Soviet power plus electrification" to illustrate the basic task at hand.

This was no recipe for a "Russian road

to socialism". On the contrary. It was always linked to the perspective of world revolution. Nevertheless, it was an attempt to grapple with the isolation of the workers' state encircled by hostile capitalist powers. This terrible backwardness of Russia, coupled with the isolation of the revolution, began to bear down on the Soviet working class. Civil war, famine and physical exhaustion forced them into political apathy and gave rise to increasing bureaucratic deformations in the state and party. International assistance was vital to ensure the survival of the young Soviet republic. All the Bolsheviki could do was to hold on to power - despite all the odds - for as long as

possible until assistance came from the West. "History gives nothing free of cost," wrote Trotsky in 1923. "Having made a reduction on one point - in politics - it makes us pay the more on another - in culture. The more easily (comparatively, of course) did the Russian proletariat pass through the revolutionary crisis, the harder becomes now its socialist constructive work." (Trotsky, *Problems of Everyday Life*, p. 20.)

It would not be difficult to establish beyond doubt Lenin's position on the necessity for world revolution. Indeed, unless the Soviet state succeeded in breaking out of its isolation, he thought

that the October Revolution could not survive for any length of time. This idea is repeated time after time in Lenin's writings and speeches after the Revolution. The following are just a few examples. They could be multiplied at will:

24th January 1918:

"We are far from having completed even the transitional period from capitalism to socialism. We have never cherished the hope that we could finish it without the aid of the international proletariat. We never had any illusions on that scoreÉ The final victory of socialism in a single country is of course impossible. Our

contingent of workers and peasants which is upholding Soviet power is one of the contingents of the great world army, which at present has been split by the world war, but which is striving for unity. We can now see clearly how far the development of the Revolution will go. The Russian began it - the German, the Frenchman and the Englishman will finish it, and socialism will be victorious." (LCW, Vol. 26, pp. 465-72.)

8th March 1918:

"The Congress considers the only reliable guarantee of the consolidation of the socialist revolution that has been victorious in Russia to be its conversion

into a world working-class revolution." (LCW, from Resolution on War and Peace, Vol. 27. p. 119.)

23rd April 1918:

"We shall achieve final victory only when we succeed at last in conclusively smashing international imperialism, which relies on the tremendous strength of its equipment and discipline. But we shall achieve victory only together with all the workers of other countries, of the whole worldÉ" (LCW, Vol. 27, p. 231.)

14th May 1918:

"To wait until the working classes carry out a revolution on an international scale

means that everyone will remain suspended in mid-air. It may begin with brilliant success in one country and then go through agonising periods, since final victory is only possible on a world scale, and only by the joint efforts of the workers of all countries." (LCW, Vol. 27, pp. 372-3.)

29th July 1918:

"We never harboured the illusion that the forces of the proletariat and the revolutionary people of any one country, however heroic and however organised and disciplined they might be, could overthrow international imperialism. That can be done only by the joint efforts

of the workers of the worldÉ We never deceived ourselves into thinking this could be done by the efforts of one country alone. We knew that our efforts were inevitably leading to a worldwide revolution, and that the war begun by the imperialist governments could not be stopped by the efforts of those governments themselves. It can be stopped only by the efforts of all workers; and when we came to power, our task É was to retain that power, that torch of socialism, so that it might scatter as many sparks as possible to add to the growing flames of socialist revolution." (LCW, Vol. 28, pp. 24-5.)

8th November 1918:

"From the very beginning of the October Revolution, foreign policy and international relations have been the main question facing us. Not merely because from now on all the states of the world are being firmly linked by imperialism into one, dirty, bloody mass, but because the complete victory of the socialist revolution in one country alone is inconceivable and demands the most active co-operation of at least several advanced countries, which do not include Russia. We have never been so near to world proletarian revolution as we are now. We have proved we were not mistaken in banking on world proletarian revolution. Even if they crush one country, they can never crush

the world proletarian revolution, they will only add fuel to the flames that will consume them all." (LCW, Vol. 28, pp. 151-64.)

20th November 1918:

"The transformation of our Russian Revolution into a socialist revolution was not a dubious venture but a necessity, for there was no other alternative: Anglo-French and American imperialism will inevitably destroy the independence and freedom of Russia if the world socialist revolution, world Bolshevism, does not triumph." (LCW, Vol. 28, p. 188.)

15th March 1919:

"Complete and final victory on a world scale cannot be achieved in Russia alone; it can be achieved only when the proletariat is victorious in at least all the advanced countries, or, at all events, in some of the largest of the advanced countries. Only then shall we be able to say with absolute confidence that the cause of the proletariat has triumphed, that our first objective - the overthrow of capitalism - has been achieved. We have achieved this objective in one country, and this confronts us with a second task. Since Soviet power has been established, since the bourgeoisie has been overthrown in one country, the second task is to wage the struggle on a world scale, on a different plane, the

struggle of the proletarian state surrounded by capitalist states." (LCW, Vol. 29, pp. 151-64.)

5th December 1919:

"Both prior to October and during the October Revolution, we always said that we regard ourselves and can only regard ourselves as one of the contingents of the international proletarian army. We always said that the victory of the socialist revolution therefore, can only be regarded as final when it becomes the victory of the proletariat in at least several advanced countries." (LCW, Vol. 30, pp. 207-8.)

20th November 1920:

"The Mensheviks assert that we are pledged to defeating the world bourgeoisie on our own. We have, however, always said that we are only a single link in the chain of the world revolution, and have never set ourselves the aim of achieving victory by our own means." (LCW, Vol. 31, p. 431.)

End of February 1922:

"But we have not finished building even the foundations of socialist economy and the hostile powers of moribund capitalism can still deprive us of that. We must clearly appreciate this and frankly admit it; for there is nothing more dangerous than illusionsÉ And there is

absolutely nothing terrible É in admitting this bitter truth; for we have always urged and reiterated the elementary truth of Marxism - that the joint efforts of the workers of several advanced countries are needed for the victory of socialism." (LCW, Vol. 33, p. 206.)

Lenin's uncompromising internationalism was not the product of sentimental utopianism, but on the contrary, of a realistic appraisal of the situation. Lenin was well aware that the material conditions for socialism did not exist in Russia, but they did exist on a world scale. The world socialist revolution would prevent the revival of those barbarous features of class society

which Marx referred to as "all the old crap" by guaranteeing at its inception a higher development than capitalist society. This was the reason why Lenin placed such strong emphasis on the perspective of international revolution, and why he devoted so much time and energy to the building of the Communist International.

Quite rapidly on the basis of a world wide plan of production and a new world division of labour, this would give rise to a mighty impulse to the productive forces. Science and modern technique would be used to harness nature and turn deserts into fertile plains. All the destruction of the planet and the

appalling waste of capitalism would be brought to an end. Within a generation or so the material basis for socialism would be laid. Over time, the tremendous growth of production would eliminate all material inequality and provide for a superabundance of things that would universally raise the quality of life to unheard-of levels. All the basic human needs would be satisfied by such a planned world economy. As a consequence, classes would dissolve into society, together with the last vestiges of class society - money and the state. This would give rise to genuine communism and the replacement of the domination of man by man with the "administration of things", to use Engels'

expression.

Yet the overthrow of capitalism did not follow this pattern. Rather than the working class coming to power in the advanced industrial countries, the capitalist system was to break, in Lenin's words, "at its weakest link". Weak Russian capitalism paid the price for the bankruptcy of world capitalism. The Russian bourgeois had come on to the historic stage too late and was incapable of carrying through the tasks of the national-democratic revolution, which had been carried through long ago in the West. However, through the law of uneven and combined development [\(1\)](#), foreign capital had established the

largest and most modern industries in the cities of Russia, uprooting the peasantry and creating a proletariat virtually overnight. This new working class, on the basis of experience, was to look towards the most modern ideas of the workers' movement that reflected its needs - Marxism - and was the first proletariat to carry through the socialist revolution to a conclusion.

The fact that Russia was a backward country would not have been a problem if such a revolution was a prelude to a successful world socialist revolution. That was the aim of the Bolshevik Party under Lenin and Trotsky. Internationalism was no sentimental

gesture, but was rooted in the international character of capitalism and the class struggle. In the words of Trotsky: "Socialism is the organisation of a planned and harmonious social production for the satisfaction of human wants. Collective ownership of the means of production is not yet socialism, but only its legal premise. The problem of a socialist society cannot be abstracted from the problem of the productive forces, which at the present stage of human development are worldwide in their very essence." (Trotsky, History of the Russian Revolution, p. 1237.) The October Revolution was regarded as the beginning of the new world socialist

order.

The price of isolation

The foregoing is sufficient to prove that Lenin and the Bolshevik Party never envisaged the Russian Revolution as a self-sufficient act, but as the beginning of the world socialist revolution. The Russian Revolution acted as a beacon to the workers of the world. In particular, it gave a mighty impetus to the German Revolution. But the cowardice of the Social Democratic leaders in Western Europe led to the defeat of the revolution in Germany, Italy and other countries, and the isolation of the Russian Revolution in conditions of appalling

back wardness. Under these circumstances, the Stalinist political counter-revolution became inevitable. The bureaucratic de generation of the Russian Revolution did not emerge from some theoretical flaw in Bolshevism, but from crushing backwardness.

The young Soviet Republic had been saved by international working class solidarity, but isolation was the cause of enormous cost and suffering. The Russian working class was stretched to breaking point. Physically exhausted and numerically weakened, they were faced with insurmountable cultural, economic and social obstacles. Herculean efforts were needed simply to hold out against

imperialist encirclement.

Lenin had an honest and realistic attitude to the terrible problems that the Russian proletariat faced as a result of isolation and backwardness. In January 1919, he explained in a speech to the Russian trade unions: "The workers were never separated by a Great Wall of China from the old society. And they have preserved a good deal of the traditional mentality of capitalist society. The workers are building a new society without themselves having become new people, or cleansed of the filth of the old world; they are still standing up to their knees in that filth. We can only dream of clearing the filth away. It would be utterly

utopian to think this could be done all at once. It would be so utopian that in practice it would only postpone socialism to kingdom come." (LCW, Vol. 25, pp. 424-5.)

As a result of the civil war and the sabotage by the Russian capitalists, the Soviet government was forced to introduce a sharp change in policy. Originally, the Bolsheviks had intended to leave the bulk of industry in private hands until the small Russian working class had learned to manage industry themselves. This would take time. Given the cultural backwardness of Russia, it was thought that, through workers' control, the proletariat would acquire

the necessary knowledge, learn the art of management, and eventually take over completely the running of industry and the state. In the meantime, the workers' state was forced to bide its time, maintain private industry under workers' control, and rely to a large extent on the old state bureaucracy to run the state apparatus. This could be maintained, it was hoped, until help came from the workers in the West. The Russian workers could take power, but they could not hold onto power indefinitely: everything depended on the world revolution. Even in an advanced capitalist country, it would have been difficult at that time to have immediately introduced workers' control and

management of industry and the state. In that case, how much more so in backward Russia?

The military defence of the Revolution was paramount. The millions who enrolled into the Red Army had to be fed and clothed. Requisitioning was vital if the workers and soldiers were to survive. The whole of Soviet society was put on a war footing. The so-called policy of War Communism represented a desperate and heroic attempt to defend the revolution against all the odds. But the sabotage of big business, which looked to the counter-revolution to restore its position, the pressure of the workers themselves, as well as the

needs of the civil war, forced the Bolsheviks to carry through the wholesale nationalisation of the key sectors of the economy sooner than they intended. Between July and December 1918, a total of 1,208 enterprises were taken into state ownership. These were the heavy industries, the decisive basis of the Russian economy.

The first years of the Soviet power were characterised by acute economic difficulties, partly the result of war and civil war, partly as a result of shortages of both materials and skilled manpower, and partly of the opposition of the peasant small property owners to the socialist measures of the Bolsheviks.

During the civil war nine million perished through famine, disease and freezing conditions. The economy was in ruins and on the verge of collapse. In order to put a stop to this catastrophic decline, drastic measures were introduced to get industry moving, to feed the hungry workers and to end the drift from town to country. For a temporary period it meant the militarisation of labour. The critics of October point an accusing finger at Bolshevism for this policy. As if there was any alternative under conditions of war and famine. The real responsibility for this situation lies at the door of imperialism which inflicted unspeakable horrors on the Russian people in its

armed intervention against the Revolution.

There is no more disgusting distortion than the attempt to smear the memory of Lenin and Trotsky by linking the policy of War Communism and the harsh measures necessitated by the defence of the revolution in war with the monstrous totalitarian regime of Stalin. As a matter of fact, even the most democratic bourgeois government finds it necessary to restrict democratic rights in time of war. During the second world war, the British workers temporarily accepted all kinds of limitations on their rights, and did so in the main willingly, in the belief that they were fighting against Nazism to

"defend democracy". To a far greater degree the Russian workers accepted the need for stern discipline to defeat the White armies. Power was in the hands of the workers' soviets. Even in conditions of terrible civil war, there was more democracy than in any other period in history. One only has to glance at the minutes of the Congresses of the Communist Party and the Third International, which were held annually even in these conditions, to see the complete freedom to debate, discuss and criticise. Nothing could be further from a totalitarian regime than the atmosphere of freedom which characterised the workers' state during the first five years of its existence. However, in the last

analysis, the possibility of maintaining and deepening Soviet democracy depended on the material conditions.

A key question was the relation of industry to agriculture. This was just another way of expressing the relation of the proletariat to the peasantry. The mass of peasants supported the seizure of power by the Bolsheviks as a means of obtaining land. But after the revolution, the attitude of the peasants to the Soviet regime was determined more and more by its ability to provide the villages with cheap commodities in exchange for agricultural produce. Normally, the peasants' food and grain surpluses would be exchanged for the products of

industry. But with the collapse of production, there were no goods to exchange for the peasants' product. To stave off starvation in the towns armed detachments requisitioned grain to keep the war industries going. There was no alternative. That was the essential meaning of War Communism. Despite these measures, the period was one of economic disruption and falling production. The relations with the peasantry were being stretched to the limits. This system of regimentation, based upon strict centralisation and the introduction of quasi-military measures into all fields of life, flowed from the difficulties of the revolution isolated in a backward, war-shattered country, under

conditions of civil war and foreign intervention.

The conditions of civil war, together with the chronic inflation of the period, brought trade between town and countryside to a virtual standstill. This meant the workers in the towns and cities were on the point of starvation, and famine was widespread. The ghastly conditions of the workers in the towns led to a mass exodus to the countryside in search of food. Already by 1919 the number of industrial workers declined to 76 per cent of the 1917 level, while that of building workers fell to 66 per cent, railway workers to 63 per cent. The figure for industrial workers generally

fell to less than half from three millions in 1917 to 1,240,000 in 1920. The population of Petrograd alone fell from 2,400,000 in 1917 to 574,000 in August 1920.

Unprecedented collapse

In 1920, the production of iron ore and cast iron fell to 1.6 per cent and 2.4 per cent of their 1913 levels. The best record was for oil, which stood at 41 per cent of its 1913 level. Coal attained 17 per cent. The general production of fully manufactured goods in 1920 stood at 12.9 per cent of their 1913 value. Agricultural production dropped in two years (1917-19) by 16 per cent, the

heaviest losses being sustained by those products exported from the villages to the town: hemp fell by 26 per cent, flax by 32 per cent, fodder by 40 per cent. Lenin described the period of War Communism as "communism in a besieged fortress". In these years, there had been an unprecedented collapse of industry and agriculture. Inflation spiralled out of control. 1921 marked a year of further economic decline. The harvest reached a mere 37.6 million tons, only 43 per cent of the prewar average. As a consequence, millions more perished of starvation and disease. According to Pierre Sorlin:

"Epidemics spread easily. Contagious

diseases that had not been brought under full control at the beginning of the twentieth century again spread rapidly. Between 1917 and 1922, about 22 million people contracted typhus; in 1918-19, the official mortality for this disease was 1.5 million, and the census was probably incomplete. Cholera and scarlet fever caused fewer deaths but affected 7 or 8 million Russians. The death rate was astronomical and, in the country as a whole, doubled. The birth-rate, on the other hand, declined considerably, barely reaching 13 per thousand in the important towns and 22 per thousand in the country. Between the end of 1918 and the end of 1920, epidemics, hunger and cold had killed

7.5 million Russians; world war had claimed 4 million victims." (Quoted by M. Liebman, *Leninism under Lenin*, p. 346.)

"In July 1918, Lenin said: 'The people are like a man who has been thrashed within an inch of his life.' In January 1919: 'The hungry masses are exhausted, and [their} exhaustion is sometimes more than human strength can endure.' In December 1919: 'We are suffering from a desperate crisis': 'a [further] scourge is assailing us, lice, and the typhus that is mowing down our troops' *Either the lice will defeat socialism, or socialism will defeat the lice!*' In December 1920 he spoke of the 'frightful conditions';

in April 1921 of 'the desperate situation.' In June 1921 he said: 'No country has been so devastated as ours'." (Ibid., p. 214, emphasis in original.)

War, hunger and disease wiped out millions. In 1920 cases of cannibalism were reported. Overall, the small working class was reduced to 43 per cent of its former size. Even these figures do not convey the full extent of the catastrophe since they leave out of account the decline in labour productivity of those ragged half-starved workers who remained in the factories. "The industrial proletariat" wrote Lenin, "owing to the war and to the

desperate poverty and ruin, has become declassed, i.e. dislodged from its class groove, and has ceased to exist as a proletariat. The proletariat is the class which is engaged in the production of material values in large-scale capitalist industry. Since large-scale capitalist industry has been destroyed, since the factories are at a standstill, the proletariat has disappeared. It has sometimes figured in statistics, but it has not been held together economically." (LCW, Vol. 33, p. 65.)

This unparalleled situation where the working class as a class had almost "ceased to exist" had extremely serious consequences for the possibilities of

establishing a viable regime of workers' democracy. The workers' state was resting upon an atomised working class. Whole layers of advanced workers, the bedrock of the revolution, had perished on the front lines during the civil war and in the famine conditions. Many starving workers were forced to scavenge for food in the countryside. This produced a chronic political problem. The Soviet structures simply ceased to operate. The soviets, as organs of workers' rule, fell into disuse. How could it be otherwise given the economic and social conditions that prevailed?

The All-Russian Congress of Soviets,

the supreme authority of the republic, only met annually between November 1918 and December 1922. The Executive Committee of the Soviets met less regularly and its power passed to its small presidium. Workers' control disappeared when the factories ceased to function. Increasingly, power was concentrated and centralised in the hands of the government and the party apparatus, which in turn became more enmeshed in the state apparatus. The proletariat did not exist in a form that could carry on its shoulders the levers of political power. No government decree could alter this fact. Lenin recognised the dangers and took measures to at least partially alleviate the situation. But there

was no solution outside of the world revolution.

"The country, and the government with it, were at the very edge of the abyss," states Trotsky. The fate of the revolution was again in the balance. Peasant uprisings in Tambov and elsewhere brought matters to a head. Things could not continue as they had done any longer. With the end of the civil war, the need for a drastic change in policy was increasingly evident. The essential thing for the Bolsheviks was to hold out for as long as possible until assistance arrived from the West.

A most serious situation arose when the

naval garrison at Kronstadt mutinied. Many falsifications have been written about this event, which has been virtually turned into a myth. The purpose, as ever, is to discredit Lenin and Trotsky and show that Bolshevism and Stalinism are the same. Interestingly enough, the hue and cry over Kronstadt unites the bourgeois and Social Democratic opponents of October with anarchists and ultra-lefts. But these allegations bear no relation to the truth.

The first lie is to identify the Kronstadt mutineers of 1921 with the heroic Red sailors of 1917. They had nothing in common. The Kronstadt sailors of 1917 were workers and Bolsheviks. They

played a vital role in the October Revolution, together with the workers of nearby Petrograd. But almost the entire Kronstadt garrison volunteered to fight in the ranks of the Red Army during the civil war. They were dispersed to different fronts, from whence most of them never returned. The Kronstadt garrison of 1921 was composed mainly of raw peasant levies from the Black Sea Fleet. A cursory glance at the surnames of the mutineers immediately shows that they were almost all Ukrainians.

Another lie concerns the role of Trotsky in the Kronstadt episode. Actually, he played no direct role, although as

Commissar for War and a member of the Soviet government, he fully accepted political responsibility for this and other actions of the government. The seizure of the Kronstadt fortress by the mutineers placed the Soviet state in extreme danger. They had only just emerged from a bloody civil war. It is true that the negotiations with the garrison were badly handled by the Bolshevik negotiating delegation led by Kalinin, who inflamed an already serious situation. But once the mutineers had seized the most important naval base in Russia, there was no room for compromise.

The main fear was that Britain and

France would use their navies to occupy Kronstadt, using the mutiny as a pretext. This would have placed Petrograd at their mercy, since whoever controlled Kronstadt controlled Petrograd. The only possible outcome was capitalist counter-revolution. That there were actual counter-revolutionary elements among the sailors was shown by the slogan "Soviets without Bolsheviks". The Bolsheviks were left with only one option. The fortress had to be retaken by force. These events occurred during the 10th Party Congress which interrupted its sessions to allow the delegates to participate in the attack. It is interesting to note that members of the Workers' Opposition, a semi-anarcho-syndicalist

tendency present at the Congress, also joined the attacking forces. This nails yet another lie, which attempts to establish a clumsy amalgam between Kronstadt - anarchism - Workers' Opposition - three things that have absolutely nothing in common.

Victor Serge, who had many sympathies with anarchism, was implacably opposed to the Kronstadt mutineers, as the following passage shows:

"The popular counter-revolution translated the demand for freely-elected soviets into one for 'soviets without Communists.' If the Bolshevik dictatorship fell, it was only a short step

to chaos, and through chaos to a peasant rising, the massacre of the Communists, the return of the émigrés, and in the end, through the sheer force of events, another dictatorship, this time anti-proletarian. Dispatches from Stockholm and Tallinn testified that the émigrés had these very perspectives in mind: dispatches which, incidentally, strengthened the Bolshevik leaders' intention of subduing Kronstadt speedily and at whatever cost. We were not reasoning in the abstract. We knew that in European Russia alone there were at least 50 centres of peasant insurrection. To the south of Moscow, in the region of Tambov, Antonov, the Right Social Revolutionary school teacher, who proclaimed the abolition of the

Soviet system and the re-establishment of the Constituent Assembly, had under his command a superbly organised peasant army, numbering several tens of thousands. He had conducted negotiations with the Whites. (Tukhachevsky suppressed this Vendée around the middle of 1921.)" (Victor Serge, *Memoirs of a Revolutionary* 1901-1941, pp. 128-9.)

The New Economic Policy

Far from representing the interests of the working class, the Kronstadters were reflecting the pressures of the peasantry, who were increasingly disaffected because of the constant requisitions and

forced collections of grain, for which they received no manufactured goods in return. This can easily be proved.

Among the demands of the mutineers was included the demand for a free market in grain. After the mutiny was put down, Lenin drew the conclusions and sounded the retreat. The introduction of the New Economic Policy (NEP) meant that the peasants were allowed to sell their grain on the market, in exchange for a tax to the state. After this measure, there were no more Kronstadts and Tambovs. The peasants had got what they wanted.

Was the NEP a step forward for the working class and the revolution? Far

from it. The Bolsheviks were forced to retreat because of the potentially dangerous situation that arose from the opposition of the peasantry. Tambov and Kronstadt - and other uprisings in the rural areas - were only part of this. But the NEP in effect served to strengthen the rich peasants (the kulaks) and NEPmen (capitalist speculators) to the detriment of the proletariat. This was a big step back, although there was no alternative, given the delay of the European revolution. Together with the defeat of the German Revolution of 1923, the NEP was really the origin of the degeneration of the Russian Revolution. Stalin, Zinoviev and Kamenev based themselves on the kulaks and NEPmen to

strike blows against Trotsky and the Left Opposition. But the NEP did give the revolution a breathing space by conciliating the peasants.

Faced with the implacable opposition of the peasant masses - exhausted by years of civil war and requisition - Lenin and Trotsky explained the need for a retreat from War Communism and the need to restore the market in order to heal the dislocation of town and countryside. In practise, this meant as far as possible developing a stable relation with the peasantry, which made up 80 per cent of the population. "It became clear to us," reported Trotsky to the 12th Party Congress, "during 1920 and 1921, with

absolute clarity, that the Union of Soviet Republics would have to go on existing, perhaps for a rather long time, in the midst of capitalist encirclement. We shall still not receive tomorrow any direct and immediate aid from a proletariat organised in a state, a state of a much higher type and with greater economic might than ours. That is what we told ourselves in 1920. We did not know whether it would be a matter of one, two, three, or ten years, but we knew that we were at the beginning of an epoch of serious and prolonged preparation.

"The basic conclusion from this was that, while awaiting a change in the

relation of forces in the West, we must look very much more attentively and sharply at the relation of forces in our own country, in the Soviet Union."

(Trotsky, *Leon Trotsky Speaks*, p. 137.)

The New Economic Policy was born. This served to reintroduce market relations between town, country and the state. The requisition of grain was abolished and replaced by a tax in kind. The peasants were then allowed to dispose of any surplus themselves. The NEP favoured the richer elements in the countryside and allowed the buying and selling on the market and some accumulation of capital. The market was restored to encourage a measure of private trade and promote output.

However, the commanding heights of the economy remained in state hands. Trade would establish the essential link between the mass of peasants and the nationalised industries.

Lenin characterised this as a retreat in the face of mounting difficulties.

However, this retreat, which had been forced on the Soviet regime, was always described by Lenin as a temporary state of affairs, as a "breathing space", before the next dramatic developments of the international socialist revolution. He was nevertheless also acutely aware of the dangers that lay on that road, especially the dangers of a revival of bourgeois and petty bourgeois elements

that could provide the basis for counter-revolution. Lenin also understood the other dangers of a proletarian revolution isolated in a backward country.

At the Ninth Congress of Soviets in December 1921, Lenin remarked: "Excuse me, but what do you describe as the proletariat? That class of labourers which is employed by large-scale industry. But where is this large-scale industry? What sort of proletariat is this? Where is your industry? Why is it idle?" (LCW, Vol. 33, p. 174.)

In a speech at the 11th Party Congress in March 1922, Lenin pointed out that the class nature of many who worked in the

factories at this time was non-proletarian; that many were dodgers from military service, peasants and declassed elements:

"During the war people who were by no means proletarians went into the factories; they went into the factories to dodge war. Are the social and economic conditions in our country today such as to induce real proletarians to go into the factories? No. It would be true according to Marx; but Marx did not write about Russia; he wrote about capitalism as a whole, beginning with the fifteenth century. It held true over a period of six hundred years, but it is not true for present-day Russia. Very often

those who go into the factories are not proletarians; they are casual elements of every description." (LCW, Vol. 33, p. 299.)

It is impossible to understand the policies pursued by Lenin and Trotsky in this period unless we bear in mind the real position in Russia described above. Given the economic catastrophe, the extremely low cultural level of the masses, the atomisation of the proletariat, and the decay of the soviets - all consequences of the delay of the international revolution - how was the workers' state to be preserved? The pressures of world capitalism, expressed through the petty bourgeois

masses, were redoubled in the period of the NEP. This explains Lenin's fear that alien class pressures might manifest themselves in a split in the Communist Party, which would lead inevitably to the downfall of the Soviet state and a capitalist counter-revolution. This is the reason why he advocated a temporary ban on factions in the Party as an exceptional measure.

At the time of Kronstadt, the relations between the Soviet state and the peasant masses reached an all-time low. The workers' state did not exist in a vacuum, and was subject to the pressures of alien class forces expressing themselves through groups in the Party. It was this

danger, that was heightened by the political monopoly of the Bolshevik Party, which led the 10th Party Congress in early 1921 to temporarily ban factions within the Party itself. This was a temporary measure brought in to deal with an exceptional situation, as Lenin made clear:

"The banning of opposition in the Party," he said, "results from the political logic of the present moment— *Right now* we can do without an opposition, comrades, *it's not the time for it!*—This is demanded by the objective moment, it is no use complaining— The *present* moment is one at which the non-party mass is subject to the kind of petty

bourgeois wavering which in the present economic position of Russia is inevitable. We must remember that the internal danger is in certain respects greater than that which was threatened by Denikin and Yudenich*, and we must show unity not only of a nominal but of a deep, far-reaching kind. To create such unity we cannot do without a resolution like this." (Quoted by Roy Medvedev, *On Socialist Democracy*, pp. 62-3, emphasis in original.)

Moreover, Lenin favoured a flexible interpretation of this rule, and rejected all attempts to give it a wider application. When Ryazanov proposed that the elections to party congresses on

the basis of factions be banned, Lenin opposed this: "I believe that comrade Ryazanov's proposal is, however unfortunate that may be, unrealisableÉ *The present Congress cannot make binding decisions that would in any way affect elections to the next congress. If circumstances provoke fundamental disagreements, how can one forbid their submission to the judgement of the party as a whole? We cannot!"* (Ibid., p. 63, emphasis in original.)

As a matter of fact, despite the formal ban on factions, these still continued to operate in the Party after the 10th Congress. Lenin himself broke the rules, as A.I. Mikoyan recalls in his memoirs,

where he recalls an incident at the time of the 10th Party Congress, when Lenin organised a strictly conspiratorial meeting of his faction for which invitation tickets were privately printed. Ironically it was Stalin who voiced the fear that the opposition might get wind of it and accuse them of factionalism, to which Lenin replied, with his customary good humour: "What's this I hear from an old dyed-in-the-wool factionalist?" (Ibid., note 16 on page 351.)

Lenin was afraid that, in a situation where there was only one party, the Communist Party might begin to reflect the pressures of alien classes, which could express themselves in factions and

eventually a split on class lines. This would mean the overthrow of the Revolution, since, given the partial atomisation of the working class, it was only the Communist Party that guaranteed the existence of the workers' state. However, under the given circumstances, this emergency measure which circumscribed the democratic rights of the Party membership increased the unhealthy bureaucratic tendencies within the Party. It was regarded as a "necessary evil" imposed upon the Party by harsh necessity. As soon as conditions eased, full democratic rights would be restored. But in fact, after Lenin's death what was intended as a temporary measure was made permanent

through the manoeuvres of the triumvirate of Stalin, Kamenev and Zinoviev as part of their struggle against Trotsky. This was a violation of the whole historical tradition of Bolshevism, which was steeped in democracy.

As we have seen, immediately after the seizure of power, the only political party which was suppressed by the Bolsheviks was the Black Hundreds, a precursor of Fascism. Even the bourgeois Kadet party was not illegalised. The Soviet government itself was a coalition of Bolsheviks and Left SRs. But, under the pressure of the civil war, a sharp polarisation of class forces took place in

which the Mensheviks, SRs and left SRs came out on the side of the counter-revolution. Contrary to their intention, the Bolsheviks were forced to ban opposition parties and introduce a monopoly of political power. This monopoly, which was regarded as an extraordinary and temporary state of affairs, created enormous dangers in a situation where the proletarian vanguard was coming under increasing pressure from alien classes.

Within a short space of time industry began to revive. Production doubled in 1922 and 1923, although from a low base, and had managed to reach its prewar level by 1926. More modestly

harvests were increasing. The NEP had provided a breathing space, but the market had brought increasing social differentiation in its wake. This retreat was completely justified, with increased production as a consequence, but it also gave rise to restorationist dangers with the enrichment of those hostile to socialism in town and country. The growth of the nascent bourgeois elements - the NEPmen and kulaks - were a byproduct of this new policy. Alongside the re-emergence of class divisions, the rising bureaucracy in the state and party began to flex its muscles, hoping to consolidate and extend its position and influence. Under these conditions, the growth of these alien

class and bureaucratic elements represented a mortal danger to the Revolution. Out of the continued isolation of the workers' state arose the threat of an internal bureaucratic degeneration.

(1) History develops not in a straight line, but according to the laws of uneven and combined development. A backward country assimilates material and intellectual conquests of the developed countries, not as a carbon copy, but in a contradictory fashion. The grafting of the most advanced technique and culture on to pre-capitalist formations leads to a peculiar combination of different stages in the historic process. Their

development as a whole acquires a planless, combined development. ([back to text](#))

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Russia:

**from Revolution to
counterrevolution**

Part Two:

The rise of Stalinism

The Marxist theory of the state

"We shall now proceed to build, on the space cleared of historical rubbish, the airy, towering edifice of socialist society"

Lenin, 8th November 1917

In order to understand the evolution of the USSR and what is taking place today,

it is necessary to first of all understand Karl Marx's theory of socialism and how the Bolshevik government attempted to follow this conception. As opposed to the utopian socialist ideas of the likes of Robert Owen, Saint-Simon and Fourier, Marxism is based upon a scientific vision of socialism. Marxism explains that the key to the development of every society is the development of the productive forces: labour power, industry, agriculture, technique and science. Each new social system - slavery, feudalism and capitalism - has served to take human society forward through its development of the productive forces.

The prolonged period of primitive communism, humankind's earliest phase of development, where classes, private property, and the state did not exist, gave way to class society as soon as people were able to produce a surplus above the needs of everyday survival. At this point, the division of society into classes became an economic feasibility. On the broad scales of history, the emergence of class society was a revolutionary phenomena, in that it freed a privileged section of the population - a ruling class - from the direct burden of labour, permitting it the necessary time to develop art, science and culture. Class society, despite its ruthless exploitation and inequality, was the road that

humankind needed to travel if it was to build up the necessary material prerequisites for a future classless society.

In a certain sense socialist society is a return to primitive communism but on a vastly higher productive level. Before one can envisage a classless society, all the hallmarks of class society, especially inequality and scarcity, would have to be abolished. It would be absurd to talk of the abolition of classes where inequality, scarcity and the struggle for existence prevailed. It would be a contradiction in terms. Socialism can only appear at a certain stage in the evolution of human society, at a certain development of the

productive forces. "No social order ever perishes before all the productive forces for which there is room in it have developed; and new, higher reallocations of production never appear before the material conditions of their existence have matured in the womb of the old society itself." (Marx and Engels, *Selected Works*, Vol. 1, p. 504, *Preface to A Contribution to the Critique of Political Economy*, by Marx. Henceforth referred to as *MESW*.)

In contrast to the utopian socialists of the early nineteenth century, who regarded socialism as a moral issue, something which could have been introduced by enlightened people at any time in history,

Marx and Engels saw it as rooted in the development of society. The precondition for such a classless society is the development of the forces of production by which superabundance becomes feasible. For Marx and Engels, this is the task of the socialist planned economy. For Marxism, the historic mission of capitalism - the highest stage of class society - was to provide the material basis worldwide for socialism and the abolition of classes. Socialism was not simply a good idea, but was the next stage for human society.

The historical mission of capitalism was to eliminate feudal parochialism, to develop a modern industrial economy,

and to create a world market with a new world division of labour. In so doing, it would create its own grave-digger, the modern proletariat. This scenario was sketched out by Marx and Engels 150 years ago in the pages of the *Communist Manifesto*. The development of capitalism today bears out that prognosis. With the concentration of capital into the hands of a small group of capitalists, the peasantry has been largely eliminated, while the working class has assumed colossal proportions, becoming a majority of the population in the advanced and even many developing countries. Likewise, capitalism has created a world market to which all countries are inextricably bound. In

reality the material basis for socialist society, bequeathed by capitalism, has been in existence on a world scale since the outbreak of the first world war. Huge industries and factories, that have grown into multinational corporations, if publicly owned and democratically planned nationally and internationally, could create a world of superabundance.

At present, the concentration of capital on a world scale is reflected by the fact that a mere 500 multinationals dominate 90 per cent of world trade. Today, just one company, ICI, has sufficient capacity to produce the world's demand for chemicals. The same could be said of many branches of industry. However,

capitalism has reached its limits as a progressive system. Private ownership and the nation state act as straitjackets which stultify the productive forces and serve to hold society back. Two world wars which brought us to the verge of human extinction, organic mass unemployment and periodic slumps of over-production are testimony to this impasse. As an economic system capitalism had in the past revolutionised the productive forces; now it acts as a massive fetter on further progress. In its lust for profit, capitalism threatens to pillage the world's natural resources and eventually destroy the planet. Only the international planning of the productive forces can take society out of this blind

alley. Marx believed that the tasks of the socialist revolution would first fall on the shoulders of the working class of the economically and culturally advanced countries of Western Europe. In Trotsky's words: "Marx expected that the Frenchman would begin the social revolution, the German continue it, the Englishman finish it; and as to the Russian, Marx left him far in the rear." (Trotsky, *The Revolution Betrayed*, p. 47.)

It is not feasible for society to jump straight from capitalism to a classless society. The material and cultural inheritance of capitalist society is far too inadequate for that. There is too much

scarcity and inequality that cannot be immediately overcome. After the socialist revolution, there must be a transitional period that will prepare the necessary ground for superabundance and a classless society. Marx called this first stage of the new society "the lowest stage of communism" as opposed to "the highest stage of communism", where the last residue of material inequality would disappear. In that sense, socialism and communism have been contrasted to the "lower" and "higher" stages of the new society. In describing the lower stage of communism Marx writes: "What we are dealing with here is a communist society, not as it has developed on its own foundations, but, on the contrary,

just as it emerges from capitalist society; which is thus in every respect, economically, morally and intellectually, still stamped with the birth marks of the old society from whose womb it emerges." (MESW, *Critique of the Gotha Programme*, by Marx, Vol. 3, p. 17.)

However, for Marx - and this is a crucial point - this lower stage of communism from its very beginning would be on a higher level in terms of its economic development than the most developed and advanced capitalism. And why was this so important? Because without a massive development of the productive forces, scarcity would

prevail and with it the struggle for existence. As Marx explained, such a state of affairs would pose the danger of degeneration: *"This development of the productive forces is an absolutely necessary practical premise [of communism], because without it want is generalised, and with want the struggle for necessities begins again, and that means that all the old crap must revive."* (MESW, *The German Ideology*, Vol. 1, p. 37, my emphasis.)

The sole reason for the international character of socialism is the international character of the capitalist system itself. No one country has the material basis for a new classless

society, or could guarantee the complete elimination of scarcity and want inherited from capitalism. Even a Soviet America, despite its colossal economic power, could not immediately accomplish the leap to socialist society. It could not provide everyone with as much as they needed. A transitional regime would be necessary - a democratic workers' state - the key task of which would be to speed up the development of the productive forces, and eliminate the vestiges of class society. This workers' state was described by Marx as "the dictatorship of the proletariat".

This much abused term of Marx and

Engels simply meant the democratic rule of the majority, which would take the necessary steps to overcome the resistance of a minority of exploiters. It was based on an historical analogy with the dictatorship of ancient Rome, when, for a temporary period (in time of war) exceptional powers were granted by the Republic to the government. After the experience of Hitler and Stalin, the word "dictatorship" has become discredited. It is identified in people's imagination with totalitarianism - something which was very far from the minds of Marx and Engels. In Marx's day, it was free from such connotations and was synonymous with the rule of the working class. In fact, from the Marxist point of view, the

dictatorship of the proletariat is synonymous with *a workers' democracy*.

"Between capitalist and communist society," states Marx, "lies the period of the revolutionary transformation of the one into the other. Corresponding to this is also a political transition period in which the state can be nothing but the revolutionary dictatorship of the proletariat." As all the greatest Marxist theoreticians explained, the task of the socialist revolution is to bring the working class to power by smashing the old capitalist state machine. The latter was the repressive organ designed to keep the working class in subjection. Marx explained that this capitalist state,

together with its state bureaucracy, cannot serve the interests of the new power. It has to be done away with. However, the new state created by the working class would be different from all previous states in history.

The semi-state

The state, as an organ of class rule, arose with the emergence of class society. This was clearly explained by Engels in his book, *The Origins of the Family, Private Property and the State*. In normal times, the state serves the interests of the dominant class in society. It was strengthened and perfected as an organ of class rule to maintain the power

and interests of the ruling class. The state serves to keep the majority in subjection to the minority. A new workers' state, however, unlike previous states, seeks not to hold down the majority of the population, but only to keep in check a tiny handful of ex-capitalists and landlords. For this purpose, a mighty bureaucratic state machine is totally unnecessary. On the contrary, the workers' state serves the interests of the majority of the population and is in reality *a semi-state*.

To the degree in which classes and inequality are eradicated, so too the semi-state begins to dissolve into society. "A special apparatus, a special

machine for suppression, the 'state', is still necessary, but this is now a transitional state. It is no longer a state in the proper sense of the word. And it is comparable with the extension of democracy to such an overwhelming majority of the population that the need for a special machine of suppression will begin to disappear." (LCW, Vol. 25, p. 468.) The state is a relic of class society, and will "wither away" as a classless society comes into being. Therefore, the interest of the proletariat is to dissolve these left-overs of capitalism as quickly as possible. This comes about as soon as the productive forces reach a level that can do away with want and guarantee everyone their

needs.

In *Anti-Dühring* Engels wrote: "When, together with class domination and the struggle for individual existence created by the present anarchy in production, those conflicts and excesses which result from this struggle disappear, from that time on there will be nothing to suppress, and there will be no need for a special instrument of suppression, the state." In order that the state shall disappear, "class domination and the struggle for individual existence" must disappear. Society will have reached the stage where it can guarantee "from each according to their ability, to each according to their needs".

The workers' state from its inception begins to wither away. Despite the wishes of the anarchists, the state, money and the bourgeois family cannot be abolished overnight. Only when the material conditions are sufficiently developed can they be relegated to the "Museum of Antiquities" as Engels put it. They have to exhaust their historic mission. They cannot be administratively abolished. Prior to that, the task of the state is to bring about these conditions. In the first instance, the workers' state cannot allow everyone to work "according to their abilities", as much as he or she wishes, nor can it reward everyone "according to their needs", regardless of the work they do.

To begin with, the workers' state acts as a powerful lever for stimulating the growth of production. This can only mean the application of the methods of wage labour developed by capitalism. As all wants cannot be immediate satisfied, and scarcities will remain for a period, people will be allocated their share of production on the basis of the wages they earn. In other words, the workers' state will initially be forced to defend the inequalities of wage labour, i.e., bourgeois norms of distribution. After allocating a proportion to investment and the social services, the remainder will be shared out by society in the form of wages. On this point, Marx corrected Lassalle's mistake that

the new society would guarantee straight away "equal right of all to an equal product of labour". Marx said that "equal right" is in reality a violation of equality and an injustice left over from a situation of scarcity, of class society: "É As far as the distribution of the latter [means of consumption] among the individual producers is concerned, the same principle prevails as in the exchange of commodity-equivalents: a given amount of labour in one form is exchanged for an equal amount of labour in another form. Hence, equal right here is still in principle - bourgeois right." (MESW, *Critique of the Gotha Programme*, by Marx, Vol. 3, p. 18.)

This first phase of the new society cannot yet provide complete equality: differences in income will still continue to exist, although the gap between the highest and lowest paid will be drastically reduced. "One man is superior to another physically or mentally," states Marx, "and so supplies more labour in the same time, or can labour for a longer time; and labour, to serve as a measure, must be defined by its duration or intensity, otherwise it ceases to be a standard of measurement. This equal right is an unequal right for unequal labour. It recognises no class differences, because everyone is only a worker like everyone else; but it tacitly recognises unequal individual

endowment and thus productive capacity as natural privileges. *It is, therefore, a right of inequality, in its content, like every right.* Right by its very nature can consist only in the application of an equal standard" (Ibid., Vol. 3, p. 18, emphasis in original.)

In other words the effort of workers is rewarded by the wages they earn. This does not take into consideration their different needs. As Marx goes on to explain the differences between one worker and another: "One worker is married, another not; one has more children than another, and so on and so forth. Thus with an equal performance of labour, and hence an equal share in the

social consumption fund, one will in fact receive more than another, one will be richer than another, and so on. To avoid all these defects, right instead of being equal would have to be unequal.

"But these defects are inevitable in the first phase of communist society as it is when it has just emerged after prolonged birth pangs from capitalist society. *Law can never be higher than the economic structure of society* and its cultural development conditioned thereby."

(Ibid., Vol. 3, pp. 18-9, my emphasis.) In other words, the first stage of communism (socialism), cannot yet provide complete justice and equality: differences, and unjust differences, in

wealth and income will still exist for a period, although general living standards will be massively raised. Society cannot at this moment permit everyone to work "according to their abilities", nor can it reward everyone "according to their needs", regardless of the work they do. The workers' state will oversee the relation between these two antagonistic features, ensuring the final domination of the socialist tendencies and the liquidation of the state.

Thus this new state assumes a dual character: *socialist* in as far as it defends nationalised property relations, and *bourgeois* in so far as the distribution of goods and services is

carried out by capitalist methods of wage labour. However, by using bourgeois norms of distribution, the productive forces will be propelled forward and will serve socialist objectives in the last analysis.

Nevertheless, as Lenin points out, the exploitation of man by man will have become impossible because the means of production will remain social property. This fact alone cannot remove the defects of distribution and the inequality of bourgeois law. The immediate abolition of capitalism does not provide the material basis for an immediate classless society. It is a means to an end. The state itself - although a semi-state - sees its role as to

safeguard this bourgeois law, which still sanctifies a certain inequality in society. With the further development of the productive forces and the attainment of communism, the state and the other vestiges of capitalism disappear. "So long as the state exists there is no freedom," says Lenin. "When there is freedom, there will be no state." (LCW, Vol. 25, p. 473.)

Marx went on to explain how bourgeois law disappears in the higher stage of communism: "After the enslaving subordination of the individual to the division of labour, and therewith also the antithesis between mental and physical labour, has vanished; after

labour has become not only a means of life but life's prime want; after the productive forces have also increased with the all-round development of the individual, and all the springs of co-operative wealth flow more abundantly - only then can the narrow horizon of bourgeois right be crossed in its entirety and society inscribe on its banners: From each according to his ability, to each according to his needs!" (MESW, *Critique of the Gotha Programme*, by Marx, Vol. 3, p. 19.)

Lenin, who commented on these remarks in his classic work *The State and Revolution*, added in relation to the transition period: "Bourgeois law in

regard to the distribution of consumer goods inevitably presupposes the existence of the bourgeois state, for law is nothing without an apparatus capable of enforcing the observance of the rules of law. It follows that under communism there remains for a time not only bourgeois law, but even the bourgeois state, without the bourgeoisie!" (LCW, Vol. 25, p. 476.)

This seems an incredible remark to make. It certainly horrifies those who regard a workers' state in an idealistic fashion. Having only the limited experience of the Paris Commune to go on, Marx was only able to anticipate the form of a future workers' state in the

most general outline. Lenin developed Marx's thoughts on the subject, but did not deal in any great detail with the processes that could take place if the Russian workers' state were to remain isolated in conditions of extreme backwardness. On many occasions he made it clear that, without the help of the workers in the advanced capitalist countries, he did not expect the revolution to survive. However, he confidently expected that the victory of the world socialist revolution would reduce this early phase to a very short duration. It was left to Trotsky to analyse this phenomenon in greater detail, on the basis of the growing bureaucratism of the Soviet regime and the emergence of

Stalinism.

What is clear, is that the poorer the society that emerges from a revolution, the cruder, the more bureaucratic and more primitive the forms of the transitional state would be, and the greater the danger of power slipping out of the hands of the working class. This had a powerful bearing on the state that emerged from the Russian Revolution, which was isolated in a backward country, and faced with total economic collapse. In the words of Trotsky: "For the defence of 'bourgeois law' the workers' state was compelled to create a 'bourgeois' type of instrument - that is, the same old gendarme, although in a

new uniform." (Trotsky, *The Revolution Betrayed*, p. 55.)

Lenin was aware of the dangers in such a situation. He explained that the state is a relic of class society and can degenerate under certain conditions, and therefore it has to be constantly under the democratic control and check of the working class. That is why an essential measure for Lenin was the reduction in the working day to allow time for the masses to participate in the running of industry and the state. It was for no sentimental reasons, but was a defence to prevent the new Soviet state rising above and becoming divorced from the working class. In other words, to

prevent its degeneration. To combat such a development Lenin put forward a series of measures designed to fight bureaucratism. These included: election and recall of all officials, no standing army, no official to receive more than a skilled worker, and rotation of jobs and responsibilities. "So that all may become 'bureaucrats' for a time and that, therefore, nobody may be able to become a 'bureaucrat'," concluded Lenin. (LCW, Vol. 25, p. 486.) These measures were to be introduced immediately to deal with bureaucratic deformations that would inevitably arise from the numerical and cultural weakness of the proletariat. The chronic backwardness of Russia, however,

constituted an insurmountable obstacle to their full implementation. The working day was lengthened, not shortened, and competent administrators were extremely scarce.

The old state machine

Lenin, following in the footsteps of Marx and Engels, continuously grappled with the problems of revolutionary strategy and tactics, as well as the problems of socialist construction in a backward country. His 53 volume *Collected Works* (in the Russian edition) are testimony to the depth of his life-long contribution to Marxism. He always put matters honestly and refused to lull the Russian

workers with "official" illusions and smug pronouncements. Above all he based his whole outlook on the success of the international revolution. Lenin explained that the overthrow of capitalism and consolidation of a proletarian democracy in an advanced country would be difficult enough, but for backward Russia, it was an impossible task without immediate help from the West. In all the writings of Lenin, and especially of this period, there is a burning faith in the ability of working people to change society and a fearless honesty in dealing with difficulties. He always revealed unpalatable truths, in the full confidence that the working class would understand

and accept the need for the greatest sacrifices, provided the reasons for them were explained honestly and truthfully. The arguments of Lenin were designed, not to stupefy the Soviet workers with "socialist" opium, but to steel them for the struggles ahead - for the struggle against backwardness and bureaucracy in Russia and for the struggle against capitalism and for the socialist revolution on a world scale.

Using the same scrupulous approach Lenin returned repeatedly to discuss the chronic deficiencies of the Soviet state and the terrible predicament that faced the Russian workers. The objective backwardness of Russia - with its high

rates of illiteracy and weak working class - forced the Soviet government to rely heavily on the services of hundreds of thousands of ex-Tsarist bureaucrats, who in thousands of ways were sabotaging the efforts of the new regime. This was no small matter, but one that threatened an internal degeneration of the whole revolution. Marx had already explained that the danger of bureaucratic degeneration was possible on the basis of material backwardness. However, he never developed this point, believing that such a problem would be resolved on the basis of the revolution in the advanced capitalist countries. In backward isolated Russia it was another matter.

Marx and Engels were well aware of the danger of bureaucracy in a workers' state and tentatively proposed methods for combating it. Basing himself on the experience of the Paris Commune, Engels had written: "In order not to lose again its only just conquered supremacy, this working class must É safeguard itself against its own deputies and officials, by declaring them all, without exception, subject to recall at any moment." To ensure that the state will not be transformed "from servants of society into masters of society - an inevitable transformation in all previous states - the Commune made use of two infallible means. In the first place, it filled all posts - administrative, judicial

and educational - by election on the basis of universal suffrage of all concerned, subject to the right of recall at any time by the same electors. And, in the second place, all officials, high or low, were paid only the wages received by other workers. The highest salary paid by the Commune to anyone was 6,000 francs. In this way an effective barrier to place-hunting and careerism was set up, even apart from the binding mandates to delegates to representative bodies which were added besides". (MESW, *The Civil War in France*, by Marx, Vol. 2, pp. 187-8.)

Taking as his point of departure Marx and Engels' analysis of the Paris

Commune, Lenin put forward four key points to fight bureaucracy in a workers' state in 1917:

- 1) Free and democratic elections to all positions in the Soviet state,
- 2) Right of recall of all officials,
- 3) No official to receive a higher wage than a skilled worker and
- 4) Gradually, all the tasks of running society and the state to be performed by everyone in turn, or as Lenin put it: "Any cook should be able to be prime minister."

"We shall reduce the role of state officials," wrote Lenin, "to that of simply carrying out our instructions as

responsible, revocable, modest paid 'foremen and accountants' (of course, with the aid of technicians of all sorts, types and degrees). This is our proletarian task, this is what we can and must start with in accomplishing the proletarian revolution." (LCW, Vol. 25, p. 431.)

Under Lenin, the maximum wage differential was to be kept to a ratio of 1:4, which he honestly described as a "capitalist differential". This, however, was made necessary by the lack of skilled personnel needed to run industry and the state in a country where the cultural level of the masses was extremely low. As the dissident Soviet

historian Roy Medvedev points out:

"The first Soviet wage scale established a ratio of 1:2.1 between the lowest and the highest earnings. At the beginning of 1919, the gap between the two extremes was narrowed even more and became 1:1.75. This lasted until the beginning of NEP in the autumn of 1921; with the approval of the Central Executive Committee and the Party Central Committee, the Council of People's Commissars passed a resolution that stated: 'When setting wage rates for workers with different qualifications - office staff, middle-range technicians and senior administrative personnel - all thought of equality must be abandoned.'

The new wage scale contained broad differentials according to qualifications, and divided staff into four groups: apprentices, workers with varying degrees of skill, accountants and office workers, and administrative and technical staff. The ratio between the lowest level and the highest (the 17th category) was set at 1:8.

"The question of payment for employees of state administrative bodies was dealt with in a different way. In the first months after October, the minimum subsistence wage based on the exchange rate and the level of prices was calculated to be eight roubles a day; this was confirmed by a decree of the 16th

January 1918." (Medvedev, *On Socialist Democracy*, pp. 221.)

About the same time Lenin drafted a bill "On the Salaries of Senior Personnel and Officials", which was approved by the Council of People's Commissars with slight amendments. The text was as follows:

"Since it is considered necessary to adopt the most energetic measures to lower the salaries of officials in all state, communal, and private undertakings and institutions, without exception, the Council of People's Commissars decrees:

"1. There shall be a maximum limit to

the salary of a People's Commissar of 500 roubles a month, with an allowance of 100 roubles for each child; the size of apartments is limited to one room per member of the family.

"2. All local Soviets of Workers', Soldiers' and Peasants' Deputies are asked to prepare and implement revolutionary measures for the special taxation of senior personnel.

"3. The Ministry of Finance and all individual Commissars shall make an immediate study of the accounts of ministries and shall reduce all excessively high salaries and pensions."

During the first months of Soviet rule the

salary of a People's Commissar (including Lenin himself) was only *twice* the minimum subsistence wage for an ordinary citizen. Over the next years, prices and the value of the rouble often changed very rapidly and wages altered accordingly. At times the figures were quite astonishing - hundreds of thousands and millions of roubles. But even under these conditions Lenin made sure that the ratio between lowest and highest salaries in state organisations did not exceed the fixed limit - during his lifetime the differential apparently was never greater than 1:5. Of course, under conditions of backwardness, many exceptions had to be made which represented a retreat from the principles

of the Paris Commune. In order to persuade the "bourgeois specialists" (*spetsy*) to work for the Soviet state, it was necessary to pay them very large salaries. Such measures were necessary until the working class could create its own intelligentsia. In addition, special "shockworker" rates were paid for certain categories of factory and office workers, and so on. Speaking at the Seventh Moscow Provincial Party Conference on the 29th October 1921, Lenin honestly explained this:

"Even at that time we had to retreat on a number of points. For example, in March and April 1918, the question was raised of remunerating specialists at rates that

conformed, not to socialist, but to bourgeois relationships, i.e., at rates that corresponded, not to the difficulty or arduousness of the work performed, but to bourgeois customs and to the conditions of bourgeois society. Such exceptionally high - in the bourgeois manner - remuneration for specialists did not originally enter into the plans of the Soviet government, and even ran counter to a number of decrees issued at the end of 1917. But at the beginning of 1918 our party gave direct instructions to the effect that we must step back a bit on this point and agree to a 'compromise' (I employ the term then in use)." (LCW, Vol. 33, p. 88.)

However, such compromises did not apply to Communists. They were strictly forbidden to receive more than a skilled worker. Any income they received in excess of that figure had to be paid over to the Party. The chair of the Council of People's Deputies received 500 roubles, comparable to the earnings of a skilled worker. When the office manager of the Council of People's Deputies, V. D. Bonch-Bruevich paid Lenin too much in May 1918, he was given "a severe reprimand" by Lenin, who described the rise as "illegal". Due to the isolation of the revolution, and the need to employ bourgeois specialists and technicians the differential was increased for these

workers - they could earn a wage 50 per cent more than that received by the members of the government. Lenin was to denounce this as a "bourgeois concession", which should be reduced as rapidly as possible.

In the words of Roy Medvedev: "With respect to Communists, even those who held the highest posts, Lenin demanded moderation. He showed concern for their health and food and living accommodations, but insisted that their salaries, his own included, be kept within certain limits. No luxuries were allowed." In April 1918, Lenin characterised the introduction of material incentives and differentials as

"a step backwards on the part of our socialist, Soviet state power, which from the very outset proclaimed and pursued the policy of reducing high salaries to the level of the wages of the average worker". (LCW, Vol. 27, p. 249.) Medvedev continued: "In general, Lenin opposed both the equalisation of wages and excessively high salaries, especially for party members. This policy resulted in the so-called party maximum - a wage ceiling for all Communists. Lenin considered any excessive inequality in pay or living conditions 'a source of corruption within the party and a factor reducing the authority of Communists'." (Medvedev, *Let History Judge*, p. 841.)

There are many examples which show the living conditions of the leaders of the workers' state. Writing about the civil war period, Victor Serge recalls the living conditions of the deputy chief of the Cheka:

"All this time, Bakayev of the Cheka was going round with holes in his boots. In spite of my special rations as a government official, I would have died of hunger without the sordid manipulations of the black market, where we traded the petty possessions we had brought in from France. The eldest son of my friend Yonov, Zinoviev's brother-in-law, an Executive member of the Soviet and founder and

director of the State Library, died of hunger before our very eyes. All this while we were looking after considerable stocks, and even riches, but on the State's behalf and under rigorous control. Our salaries were limited to the 'Communist maximum,' equal to the average wage of a skilled worker." (Victor Serge, *Memoirs of a Revolutionary 1901-1941*, p. 79.)

The English writer Arthur Ransome who was well acquainted with Russia and made several visits at this time, reports an extraordinary incident which he experienced first hand while on an official delegation with Radek and Larin to the town of Yaroslavl in 1921. The

Yaroslavl prison was a notoriously bad place under Stalin. But the Bolsheviks took prison reform seriously and tried to improve the conditions of the prisoners. In conditions of terrible food shortages the food at the Yaroslavl prison was actually better than that available to the local soviet leadership!

"It so happens, Rostopchin explained, that the officer in charge of the prison feeding arrangements is a very energetic fellow, who had served in the old army in a similar capacity, and the meals served out to the prisoners are so much better than those produced in the Soviet headquarters, that the members of the Executive Committee make a practice of

walking over to the prison to dine. They invited us to do the same. Larin did not feel up to the walk, so he remained in the Soviet House to eat an inferior meal, while Radek and I, with Rostopchin and three other members of the local committee walked round to the prison." (Arthur Ransome, *The Crisis in Russia*, p. 56.)

The housing space at the disposal of government ministers or commissars was also restricted to one room for each person in the household. Lenin's office was sparsely furnished with the bare essentials. According to Karl Idman, a member of the Finnish government who met Lenin in December 1917: "Lenin

received us cordially, apologising for keeping us waiting. The room in which we found ourselves was divided into two by a board partition. The room was in no way different from any of the other rooms in Smolny. It was as simple as all the rest. The walls were painted white, there was a wooden table and a few chairs." This policy was in stark contrast to the exorbitant privileges and luxurious life-styles of the masters of the Kremlin under Stalin and his successors. This is confirmed by Victor Serge:

"In the Kremlin he [Lenin] still occupied a small apartment built for a palace servant. In the recent winter he, like everyone else, had had no heating. When

he went to the barber's he took his turn, thinking it unseemly for anyone to give way to him." (Victor Serge, *Memoirs of a Revolutionary 1901-1941*, p. 101.)

The same applied to Trotsky, who was, in effect, Lenin's second in command:

"During the first days of the Bolshevik revolt I used to go every morning to Smolny to get the latest news. Trotsky and his pretty little wife, who hardly ever spoke anything but French, lived in one room on the top floor. The room was partitioned off like a poor artist's attic studio. In one end were two cots and a cheap little dresser and in the other a desk and two or three cheap wooden

chairs. There were no pictures, no comfort anywhere. Trotsky occupied this office all the time he was Minister of Foreign Affairs and many dignitaries found it necessary to call upon him there. Outside the door two Red Guards kept constant watch. They looked rather menacing, but were really friendly. It was always possible to get an audience with Trotsky." (Louise Bryant, *op. cit.*, p. 103.)

This was no exception. The Bolshevnik leaders were always accessible and close to the masses. They walked in the streets with no escorts. Lenin was shot and seriously wounded by a Left SR assassin while doing just that. When one

considers the luxurious conditions and privileges of the bureaucracy under Stalin and his successors, shut off from the Soviet population behind high walls, or rushing at great speed in huge limousines accompanied by armies of bodyguards, we see what a gulf separated the democratic regime of Lenin from what replaced it. And it is necessary to emphasise the point that Lenin even considered the relatively small differentials of that time to be unacceptable capitalist differentials which would gradually be *reduced* as society progressed towards socialism.

Roots of bureaucracy

In February 1917, the Bolshevik Party had no more than about 8,000 members in the whole of Russia. At the height of the civil war, when Party membership involved personal risk, the ranks were thrown open to the workers, who pushed the membership up to 200,000. But as the civil war grew to a close, the Party membership actually trebled, reflecting an influx of careerists and elements from hostile classes and parties. These elements had to be rooted out. The necessary "purge" initiated by Lenin in 1921 had nothing in common with the monstrous frame-up trials of Stalin; there were no police, no trials, no prison-camps; merely the weeding out of petty bourgeois and Menshevik careerists in

order to preserve the ideas and traditions of October from the poisonous effects of petty bourgeois reaction. By early 1922, some 200,000 members (one third of the membership) had been expelled.

As early as 1919 the Bolshevik government had also organised the People's Commissariat of Workers' and Peasants' Inspection (known as *Rabkrin*, from the acronym of its Russian name). Its task was to weed out careerists and bureaucrats in the state and party apparatus. Stalin, given his record as a good organiser, was put in charge of *Rabkrin*. However, in a short space of time, Stalin's narrow, organisational

outlook and personal ambition led him to occupy the post as the chief spokesman of the bureaucracy in the Party leadership, not as its opponent. Stalin used his position, which enabled him to select personnel for leading posts in the state and Party, to quietly gather round himself a bloc of allies and yes-men, political nonentities who were grateful to him for their advancement. In Stalin's hands, Rabkrin became an instrument for building up his own position and eliminating his political rivals.

By the end of 1920 the number of state officials had mushroomed from a little over 100,000 to an astonishing 5,880,000. This was five times the

number of industrial workers. In the Red Army, such was the shortage of military skill that former Tsarist officers were enlisted to fight against the White armies. By August 1920, 48,409 former Tsarist officers had been called up as military specialists. These layers had no deep-seated loyalty to the Soviet state. In order to persuade them to provide their services and prevent them from fleeing to the other side, the Bolshevik government was forced to grant them considerable privileges. Also political commissars were appointed to oversee the loyalty of these officers, and provide an essential instrument of workers' control over these layers.

Lenin's intention was gradually to involve the whole of the working class in the tasks of running the state: "Our aim is to draw *the whole of the poor* into the practical work of administration, É to ensure that *every* toiler, having finished his eight hours' 'task' in productive labour, shall perform state duties without pay." (LCW, Vol. 27, p. 273.) But under the prevailing conditions of backwardness, this proved impossible. The young Soviet state was forced to make use of whatever they could of the left-overs of the old state machine. In March 1918, Lenin told the Party Congress that "the bricks of which socialism will be composed have not yet been made". (Ibid., p. 148.)

Given the low cultural level, every lever, every toe-hold would be used to further the revolution. As we have seen, the prevailing illiteracy forced the Bolsheviks to rely on the old Tsarist bureaucracy ("slightly anointed with Soviet oil"), administrators, government functionaries, military commanders and factory managers. This was unavoidable, at least until assistance arrived from the West. This would have far reaching consequences later on. But, at that time, there was simply no alternative. When Lenin asked Trotsky during the civil war whether it was best to replace the old Tsarist officers which were controlled by political commissars, with other Communists, Trotsky replied:

"But do you know how many of them we have in the army now?"

"No."

"Not even approximately?"

"I don't know."

"Not less than thirty thousand."

"What?"

"Not less than thirty thousand. For every traitor there are a hundred dependable; for every one who deserts there are two or three that get killed. How are we to replace them all?"

A few days later Lenin was making a speech on the problems of constructing the socialist commonwealth. This is what he said: "When comrade Trotsky recently informed me that in our military

department the officers are numbered in tens of thousands, I gained a concrete conception of what constitutes the secret of making proper use of our enemy—of how to build communism out of the bricks that the capitalists had gathered to use against us'." (Trotsky, *My Life*, pp. 464-5.)

In relation to the state itself, Lenin told the Fourth Congress of the Comintern in 1922:

"We took over the old machinery of state and that was our misfortune. We have a vast army of government employees, but lack the educated forces to exercise real control over them— At the top we have, I

don't know how many, but at all events no more than a few thousandÉ Down below there are hundreds of thousands of old officials we got from the Tsar and from bourgeois societyÉ" (LCW, Vol. 33, p. 430.)

As always Lenin explained the harsh truth about the Soviet state apparatus. He never entertained any idealised view of this wretched organ which had been largely inherited from the past. It was a bureaucratic machine, coloured by a thin socialist varnish. He understood full well that this bureaucracy was not simply a matter of bureaucratic behaviour, excessive red-tape, officialdom, etc. Such an approach has

nothing in common with the Marxist method. Marxism explains bureaucracy as a social phenomenon, which arises for definite material reasons. In the case of Russia, it arose from the isolation of the revolution in a backward, illiterate peasant country.

Lenin explained the rise of bureaucracy as a parasitic, capitalist growth on the organism of the workers' state. The October Revolution had overthrown the old order, ruthlessly suppressed and purged the Tsarist state, but in conditions of chronic economic and cultural backwardness, the elements of the old order were creeping back everywhere into positions of privilege and power in

the measure that the revolutionary wave ebbed back with the defeats of the international revolution. There was a real danger that the revolution could suffer a bureaucratic degeneration. As such, Lenin denounced the growing bureaucratic threat and demanded a ruthless struggle against it:

"We threw out the old bureaucrats, but they have come backÉ They wear a red ribbon in their buttonholes and creep into warm corners. What to do about it? We must fight this scum again and again and if the scum has crawled back we must again and again clean it up, chase it out, keep it under the surveillance of Communist workers and peasants whom

we have known for more than a month and for more than a year." (LCW, Vol. 29, pp. 32-3.)

Engels explained that in every society where art, science and government are the preserve of a privileged minority, then that minority will always use and abuse its positions in its own interests. And this state of affairs is inevitable, so long as the vast majority of the people are forced to toil for long hours in industry and agriculture for the basic necessities of life. After the revolution, with the ruined conditions of industry, the working day was not reduced, but lengthened. Workers toiled ten, twelve hours and more a day on subsistence

rations; many worked weekends without pay voluntarily. But, as Trotsky explained, the masses can only sacrifice their "today" for their "tomorrow" up to a very definite limit.

Inevitably, the strain of war, of revolution, of four years of bloody civil war, of famine in which millions perished, all served to undermine the working class in terms of both numbers and morale. The disintegration of the working class, the loss of many of the most advanced elements in the civil war, the influx of backward elements from the countryside, and the demoralisation and exhaustion of the masses was one side of the picture. On the other side, the forces

of reaction, those petty bourgeois and bourgeois elements who had been temporarily demoralised and driven underground by the success of the revolution in Russia and internationally, everywhere began to recover their nerve, thrust themselves to the fore, taking advantage of the situation to insinuate themselves into every nook and cranny of the ruling bodies of industry, of the state and even of the Party.

Victor Serge recalls his impression of the Soviet apparatus even in the early years:

"Of this apparatus, which seemed to me to function largely in a void, wasting

three-quarters of its time on unrealisable projects, I at once formed the worst possible impression. Already, in the midst of general misery, it was nurturing a multitude of bureaucrats who were responsible for more fuss than honest work. In the offices of Commissariats one came across elegant gentlemen, pretty and irreproachably powdered typists, chic uniforms weighed down with decorations: and everybody in this smart set, in such contrast with the famished populace in the streets, kept sending you back and forth from office to office for the slightest matter and without the slightest result." (Victor Serge, *Memoirs of a Revolutionary 1901-1941*, p. 74.)

Lenin's struggle against Stalin

As early as 1920, Trotsky criticised the workings of Rabkrin, which from a tool in the struggle against bureaucracy was becoming itself a hotbed of bureaucracy. Initially, Lenin defended Rabkrin against Trotsky's criticisms. Later he came around to Trotsky's view: "This idea was suggested by Comrade Trotsky, it seems, quite a long time ago. I was against it at the timeÉ But after closer consideration of the matter, I find that in substance there is a sound idea in itÉ" At first Lenin's illness prevented him from appreciating what was going on behind his back in the state and Party. In 1922, the situation became clear to him.

"Bureaucracy is throttling us," he complained. He saw that the problem arose from the country's economic and cultural backwardness.

So how was this state of affairs going to be combated? Lenin stressed the importance of the workers' organisation in keeping the bureaucratic menace in check: "Our Party Programme - a document which the author of the *ABC of Communism* [Nikolai Bukharin] knows very well - shows that ours is a workers' state with a bureaucratic twist to it. We now have a state under which it is the business of the massively organised proletariat to protect itself, while we, for our part, must use these workers'

organisations to protect the workers from their state, and to get them to protect our state" (LCW, Vol. 32, pp. 24-5.)

Lenin argued, dialectically, that the trade unions in a workers' state must be independent, in order that the working class can defend itself against the state, and in turn defend the workers' state itself. Lenin was emphatic on this point because he saw the danger of the state raising itself above the class and separating itself from it. The workers, by themselves through their organisations, could exercise a check on the state apparatus and on the bureaucracy. However, with the atomisation of the

working class by the end of the civil war, it was unable to effectively combat the growth of the bureaucratism of the state. The growing bureaucratic menace preoccupied Lenin's attention throughout that year. At the 11th Party Congress in March-April 1922 - the last Congress in which he was able to participate - his main preoccupation was bureaucratism. At the Congress Lenin dealt firstly with the economic relations of the workers' state as a form of "state capitalism". That is the economic relations on which the NEP was based. Market relations were allowed, while the key sectors of the economy remained in state hands. Lenin said that traditionally state capitalism applied to a minority

nationalised sector in a capitalist state. But he now used it differently to describe the NEP:

"That is why very many people are misled by the term state capitalism. To avoid this we must remember the fundamental thing that state capitalism in the form we have here is not dealt with in any theory, or in any books, for the simple reason that all the usual concepts connected with this term are associated with bourgeois rule in capitalist society. Our society is one which has left the rails of capitalism but has not yet got on to new rails. The state in this society is not ruled by the bourgeoisie, but by the proletariat. We refuse to understand that

when we say 'state' we mean ourselves, the proletariat, the vanguard of the working class. State capitalism is capitalism which we shall be able to restrain, and the limits of which we shall be able to fix. This state capitalism is connected with the state, and the state is the workers, the advanced section of the workers, the vanguard. We are the state." He then explains that this capitalism which exists alongside the workers' state is essential "to satisfy the needs of the peasantry" [and] without its existence is impossible".

Lenin then goes on to deal with the crux of the problem: "Well, we have lived through a year, the state is in our hands;

but has it operated the New Economic Policy in the way we wanted in the past year? No. But we refuse to admit that it did not operate in the way we wanted. How did it operate? The machine refused to obey the hand that guided it. It was like a car that was going not in the direction the driver desired, but in the direction someone else desired; as if it were being driven by some mysterious, lawless hand, God knows whose, perhaps of a profiteer, or of a private capitalist, or of both. Be that as it may, the car is not going quite in the direction the man at the wheel imagines, and often it goes in an altogether different direction." (LCW, Vol. 33, p. 179.)

"Then what is lacking?" asked Lenin. "ÉIf we take Moscow with its 4,700 Communists in responsible positions, and if we take the huge bureaucratic machine, that gigantic heap, we must ask: who is directing whom? I doubt very much whether it can be truthfully said that the Communists are directing that heap. To tell the truth, they are not directing, they are being directed." (Ibid., p. 288.)

Far from being the "semi-state" envisaged by Lenin in his book *State and Revolution*, the state apparatus was bureaucratically deformed and deeply infected by the alien class outlook of the old regime. At the same Congress Lenin

explained, in a very clear and unambiguous language, the possibility of the degeneration of the revolution as a result of the pressures of alien classes. Lenin compared the relationship of the Soviet workers to the bureaucracy and the pro-capitalist elements to that of a conquering and conquered nation. History has shown repeatedly that for one nation to defeat another by force of arms is not, of itself, a sufficient guarantee of victory. Given the low level of culture of the weak Soviet working class, surrounded by a sea of small property owners, the pressures were enormous. They reflected themselves not only in the state, but inevitably in the Party itself, which became the centre of

struggle of conflicting class interests.

"Sometimes one nation conquers another, the nation that conquers is the conqueror and the nation that is vanquished is the conquered nation. This is simple and intelligible to all. But what happens to the culture of these nations? Here things are not so simple," stated Lenin. "If the conquering nation is more cultured than the vanquished nation, the former imposes its culture upon the latter; but if the opposite is the case, the vanquished nation imposes its culture upon the conqueror. Has not something like this happened in the capital of the RSFSR ([1](#))? Have the 4,700 Communists (nearly a whole army division, and all of them

the very best) come under the influence of an alien culture?" Lenin then asks pointedly: "Will the responsible Communists of the RSFSR and of the Russian Communist Party realise that they cannot administer; that they only imagine they are directing, but are actually being directed?"

Already by this time, the most far-sighted sections of the émigré bourgeoisie, the *Smena Vekh* (Change of Signposts) group of Ustryalov, were openly placing their hopes upon the bureaucratic-bourgeois tendencies manifesting themselves in Soviet society, as a step in the direction of capitalist restoration. The same group was later to

applaud and encourage the Stalinists in their struggle against Trotskyism. The Smena Vekh group, which Lenin gave credit for its class insight, correctly understood the struggle of Stalin against Trotsky, not in terms of "personalities" but as a class question, as a step back from the revolutionary traditions of October.

"The machine no longer obeyed the driver" - the state was no longer under the control of the Communists, of the workers, but was increasingly raising itself above society. Referring to the views of Smena Vekh, Lenin said: "We must say frankly that the things Ustryalov speaks about are possible, history knows

all sorts of transformations. Relying on firmness of convictions, loyalty, and other splendid moral qualities is anything but a serious attitude in politics. A few people may be endowed with splendid moral qualities, but historical issues are decided by vast masses, which, if the few do not suit them, may at times treat them none too politely."

(LCW, Vol. 33, p. 287.) In other words, the state power was slipping out of the hands of the Communists, not because of their personal failings or psychological peculiarities, but because of the enormous pressures of backwardness, of bureaucracy, of alien class forces which weighed down upon the tiny handful of advanced, socialist workers and crushed

them.

Lenin's correspondence and writings of this period, when illness was increasingly preventing him from intervening in the struggle, clearly indicate his alarm at the encroachment of the Soviet bureaucracy, the insolent parvenus in every corner of the state apparatus. Lenin was aware of the dangers of the degeneration of the workers' state encircled by capitalism. After the 11th Party Congress in 1922, Lenin's health deteriorated and in May of that year he suffered his first stroke. He recovered and was back on his feet by July and officially returned to work in October. On his return he was deeply

shocked by the growing bureaucratic tumour that was gnawing away at the state and Party. "Our bureaucratism is something monstrous," Lenin commented to Trotsky. "I was appalled when I came back to work." It was at this time that he offered to form a bloc with Trotsky against bureaucracy in general and against the Organisational Bureau in particular. Lenin also concentrated his attention on the entire problem of the leadership of the Party. The clashes with Stalin over the Georgian affair and other matters increasingly revealed Stalin's role. Lenin began work on his *Testament*.

On the 30th December 1922 he dictated

a note:

"It is said that a united state apparatus was needed. Where did that assurance come from? Did it not come from the same Russian apparatus, which, as I pointed out in one of the preceding sections of my diary, we took over from Tsarism and *slightly anointed with Soviet oil?*" asked Lenin.

"There is no doubt that that measure should have been delayed until we could say that we vouched for our apparatus as our own. But now, we must, in all conscience, admit the contrary: the apparatus we call ours is, in fact, still quite alien to us; *it is a bourgeois and*

Tsarist hotchpotch and there has been no possibility of getting rid of it in the past five years without the help of other countries and because we have been 'busy' most of the time with military engagements and the fight against famine." (LCW, Vol. 36, pp. 605-6, my emphasis.)

Lenin only became fully aware of the bureaucratic reaction within the Party towards the end of 1922, when he discovered the truth about Stalin's handling of relations with the Georgian Bolshevik leaders. The central role of Stalin in all this bureaucratic web became clear. Without the knowledge of Lenin or the Politburo (the highest body

in the Party), Stalin, together with his henchmen Dzerzhinsky and Ordzhonikidze, had carried out a coup d'état in the Georgian party. The finest cadres of Georgian Bolshevism were purged, and the Party leaders denied access to Lenin, who was fed a string of lies by Stalin. When he finally found out what was happening, Lenin was absolutely furious. From his sick-bed late in 1922, he dictated a series of notes to his stenographer on "the notorious question of autonomisation, which, it appears, is officially called the question of the Union of Soviet Socialist Republics". Lenin's notes are a crushing indictment of the bureaucratic and chauvinist arrogance of Stalin and the

clique surrounding him. But Lenin does not treat this incident as an accidental phenomenon - as a "regrettable mistake" - but the expression of the rotten reactionary nationalism of the Soviet bureaucracy. Lenin thundered: "There is no doubt that the infinitesimal percentage of Soviet and Sovietised workers will drown in that tide of chauvinistic Great-Russian ruffraff like a fly in milk." (LCW, Vol. 36, p. 606.)

After the Georgian affair, Lenin threw the whole weight of his authority behind the struggle to remove Stalin from the post of general secretary of the Party which he had occupied for a short time after the death of Sverdlov. However,

Lenin's main fear now, more than ever, was that an open split in the leadership, under prevailing conditions, might lead to the break up of the Party along class lines. He therefore attempted to keep the struggle confined to the leadership, and his notes and other material were not made public. Lenin wrote secretly to the Georgian Bolsheviks (sending copies to Trotsky and Kamenev) taking up their cause against Stalin "with all my heart". As he was unable to pursue the affair in person, he wrote to Trotsky requesting him to undertake the defence of the Georgians in the Central Committee. In the last months of his political life, weakened by illness, Lenin turned repeatedly to Trotsky for support in his

struggle against the bureaucracy and its creature, Stalin. On the question of the monopoly of foreign trade, on the question of Georgia, and, finally, in the struggle to oust Stalin from the leadership, Lenin formed a bloc with Trotsky, the only man in the leadership he could trust.

Lenin's struggle against Stalin was directly linked to his determined struggle against the bureaucracy within the Bolshevik Party itself. In *Better Fewer, But Better*, written shortly before his *Testament*, Lenin commented: "Let it be said in parentheses that we have bureaucrats in our Party offices as well as in Soviet offices." In the same work,

he launched a sharp attack against Rabkrin, which was clearly meant for Stalin: "Let us say frankly that the People's Commissariat of the Workers' and Peasants' Inspection does not at present enjoy the slightest authority. Everybody knows that no other institutions are worse organised than those of our Workers' and Peasants' Inspection and that under present conditions nothing can be expected from this Peoples' Commissariat." (LCW, Vol. 33, p. 490.)

Lenin's began writing his *Testament* on the 25th December 1922, in which he critically assessed the qualities of the Bolshevik leadership. It contained his

final recommendations. "Comrade Stalin, having become general secretary, has concentrated enormous power in his hands; and I am not sure that he always knows how to use that power with sufficient caution." He then deals with Trotsky's qualities: "On the other hand comrade Trotsky, as was proved by his struggle against the Central Committee in connection with the question of the Peoples' Commissariat of Communications, is distinguished not only by his exceptional abilities - personally he is, to be sure, the most able man in the present Central Committee - but also by his too far reaching self-confidence and a disposition to be too much attracted by

the purely administrative side of affairs." In relation to the others: "I will only remind you that the October episode of Zinoviev and Kamenev was not, of course, accidental, but that it ought as little to be used against them personally as the non-Bolshevik past of Trotsky."

However, new and alarming manifestations of Stalin's abuse of power caused Lenin to dictate a postscript ten days later, dated the 4th January 1923, entirely devoted to Stalin. This time it was direct and brutal. "Stalin is too rude, and this defect, although quite tolerable in our midst and in dealings amongst us communists,

becomes intolerable in a Secretary General. That is why I suggest that the comrades think about a way of removing Stalin from that post and appointing another man in his stead who in all other respects differs from Stalin in having only one advantage, namely, that of being more tolerant, more loyal, more polite and more considerate to the comrades, less capricious" (LCW, Vol. 36, pp. 594-6.)

Two months later, Lenin broke off political and personal relations with Stalin, after he had verbally abused his wife, Krupskaya. Two days before his final stroke, he wrote to Stalin, with a copy to Zinoviev and Kamenev: "I have

no intention of forgetting so easily what has been done against me, and it goes without saying that what has been done against my wife I consider having done against me as well." (Quoted in Liebman, *op. cit.*, p. 423.) On the 6th March, Krupskaya told Kamenev that Lenin had resolved "to crush Stalin politically". (Ibid., p. 424.) Lenin told Krupskaya that the Testament was to be kept secret until after his death, and then it should be made public to the ranks of the Party. However, Lenin was seriously paralysed by a third stroke on the 9th March 1923. Power effectively fell into the hands of a triumvirate of Zinoviev, Kamenev and Stalin. Nine months later, on the 21st January 1924, Lenin died. It

was very convenient for Stalin. The triumvirate were determined to keep Trotsky from the leadership and therefore decided to keep Lenin's *Testament* under lock and key. Needless to say, the documentary evidence of Lenin's last fight against Stalin and the bureaucracy was suppressed for decades, and denounced as forgeries by the leaders of the Communist Parties internationally. Lenin's last writings were hidden from the Communist Party rank and file. Lenin's *Testament*, which demanded Stalin's removal as general secretary, despite the protests of his widow, was not read out at the Congress and remained hidden until 1956 when Khrushchev and Co. produced it, along

with a few other items, as part of their campaign to throw the blame for all that had happened in the past 30 years onto Stalin's shoulders. With Lenin's death, the struggle against the growing bureaucratic reaction was now fell to Trotsky and the Left Opposition.

The bureaucratic reaction

With each international defeat of the working class, and its accompanying mood of despair and disappointment amongst the Russian proletariat, the bureaucratic reaction in the Soviet Union assumed an increasingly menacing form. The terrible backwardness and low cultural level of the masses proved an

insurmountable obstacle to the Russian proletariat, weakened, crushed and exhausted by years of civil war, deprivation and demoralisation. The bureaucracy fed on this mood of weariness and growing scepticism particularly amongst the older generation. Largely left over from the old Tsarist state machine, this caste of officials began to flex its muscles and feel more conscious of its independence, importance and power.

The diminishing participation of the masses in political life reinforced this process. The bureaucracy soon revealed its own ideas, feelings and interests. It yearned for stability and the

abandonment of international revolution. "On all sides the masses were pushed away gradually from actual participation in the leadership of the country," remarked Trotsky. "The reaction within the proletariat caused an extraordinary flush of hope and confidence in the petty bourgeois strata of town and country, aroused as they were to new life by the NEP, and growing bolder and bolder. The younger bureaucracy, which had arisen at first as an agent of the proletariat, began to now feel itself a court of arbitration between the classes. Its independence increased from month to month. The international situation was pushing with mighty forces in the same direction. The Soviet bureaucracy

became more self-confident, the heavier the blows dealt to the world working class. Between these two facts there was not only a chronological, but a causal connection, and one which worked in two directions. The leaders of the bureaucracy promoted the proletarian defeats; the defeats promoted the rise of the bureaucracy." (Trotsky, *The Revolution Betrayed*, p. 90.)

The defeat of the German Revolution of 1923, followed by the defeats in Bulgaria and Estonia, constituted a severe blow to the morale of the Russian proletariat. It condemned the Soviet state to a period of further economic and political isolation. Within the

Communist Party the initiative and independence of the rank and file was being systematically stifled by bureaucratic "commandism" at all levels. A hierarchy of appointed officials replaced the elected representatives. Trotsky, who had been urged by Lenin to take up the struggle against bureaucratism, formed the Left Opposition to meet this challenge. Their demands centred around the restoration of workers' democracy within the Party and the co-ordination of industry and agriculture through a national plan. These ideas immediately met with furious opposition from the majority faction of Zinoviev-Kamenev-Stalin. Trotsky's defence of Bolshevism was

met with abuse and ridicule by the ruling apparatus.

In early 1924, the death of Lenin delivered a further blow to the morale of the Russian workers. Some historians have suggested that if Lenin had lived longer it would have resulted in a totally different development in Russia. But even if Lenin had lived it would not have made a fundamental difference. Lenin's colossal personal prestige, in itself, would not have been sufficient to prevent the political counter-revolution. As early as 1926, Lenin's widow Krupskaya, in a meeting of the Left Opposition, pointed out: "If Ilych [Lenin] were alive, he would probably

already be in prison." At that time this was probably an exaggeration. Had Lenin lived a few more years, the process of degeneration might have been delayed, modifying the course of events. But as long as the revolution remained isolated in conditions of frightful backwardness, the fundamental process would have been the same. Without doubt Lenin would have fought relentlessly against the bureaucracy, but that in and of itself would not have been sufficient to have defeated the reaction. Only with the success of the revolution elsewhere, which would have broken the isolation and rekindled the revolutionary élan of the Russian masses, could the bureaucracy have been stopped in its

tracks. The fact of the matter is Lenin did not survive his third stroke which totally incapacitated him for nine months prior to his death.

Does this mean that those who struggled against Stalinism were doomed to defeat? To pose the question in this way would be abstract, schematic, and fatalistic. The emergence of Stalinism was a struggle of living forces, the outcome of which could not be determined in advance. Trotsky and the Left Opposition certainly realised that there were strong objective forces working on the side of the Stalinist bureaucracy. However, there was nothing fatalistic about their attitude.

Everything would depend upon the international situation. As Trotsky explained: "The development of the struggle has shown, without any doubt, that the Bolshevik-Leninists would not have been able to win a complete victory in the USSR - that is to say, conquer power and cauterise the ulcer of bureaucratism - without support from the world revolution." (Trotsky, *Writings*, 1935-36, p. 178.) That is why the Opposition fought for a correct Marxist policy in Britain, China and elsewhere.

The serious illness and subsequent death of Lenin put effective power in the hands of the "troika" of Stalin, Zinoviev and Kamenev. In reality, the central lever of

power was already in Stalin's grip, given his complete organisational domination of the apparatus as general secretary of the Party. The troika conspired to prevent Trotsky taking over from Lenin. They deliberately suppressed Lenin's *Testament*, which had directly called for Stalin's removal. Another factor was the opening of the Party to a flood of raw, inexperienced new members after Lenin's death - the so-called Lenin Levy. This swamped the revolutionary nucleus of the Party in a sea of politically backward elements, who were putty in the hands of the apparatus-men, hand-picked by Stalin's machine. The weakening and isolation of the Party's Old Guard was the necessary

precondition for the victory of the apparatus. Suffice to say that 75-80 per cent of the membership were recruited after 1923. The number of Party members with pre-revolutionary service was less than 1 per cent.

Simultaneously, a campaign of calumny and falsification was opened up against Trotsky. This was precipitated by Trotsky's publication *The Lessons of October* which dealt with the reasons for the defeat of the German Revolution, laying particular responsibility on the failure of leadership. In doing so, Trotsky drew parallels with what had happened in October 1917 in Russia and the vacillation of the rightwing of

Zinoviev and Kamenev who both came out against the insurrection (although they were never mentioned by name). These important lessons were buried in the campaign against "Trotskyism". All the old smears about Trotsky's non-Bolshevik past (which Lenin had written off in his Testament), about the "permanent revolution", Brest-Litovsk, and the rest, were dragged up by the ruling faction to discredit Trotsky and oust him from the leadership. A stream of literature was brought out against Trotsky, while reinforcing the idea of the Leninist Old Guard of Stalin, Zinoviev and Kamenev: *Trotskyism or Leninism* (Stalin), *Leninism or Trotskyism* (Kamenev) and *Bolshevism or*

Trotskyism (Zinoviev). Trotsky was subsequently removed from the post of Peoples' Commissar of War in January 1925. The campaign against Trotskyism was then taken into the Communist Parties internationally where votes were demanded supporting the Russian Party majority leadership.

Dialectical materialism has nothing in common with the kind of mechanical approach which sees history as a simple linear process. Such a view is more in line with religious philosophies like Calvinism with its fatalistic theory of predestination. Accidents play a role in history as in nature, but, as Hegel brilliantly explained, necessity

frequently expresses itself through the medium of accidents. The efforts of Trotsky alone were insufficient to change the Party's course. Ranged against him was the Old Guard of Zinoviev, Kamenev, Bukharin and Stalin. This played a certain part in the equation. Marxism does not deny the role of the individual or of accidents in history. On the contrary. Individuals can play a tremendous role - for good or ill. Kamenev and particularly Zinoviev played an important role in the turn towards reaction after Lenin's death. Here personal motives played a role. Having worked closely with Lenin for many years, Zinoviev considered that he should inherit Lenin's mantle. He was

ambitious and jealous of Trotsky. As a result, he organised a parallel leadership, even before Lenin's death, composed of all the members of the Politburo except Trotsky. Using methods entirely alien to Bolshevism, he resorted to manoeuvres and intrigues to discredit Trotsky, and drive a wedge between him and Leninism.

By inventing the myth of Trotskyism after Lenin's death, Zinoviev and Kamenev played a pernicious role which deepened the disillusionment and increased the disorientation of the workers. Neither of them showed any understanding of the real processes at work. They imagined that they were

using Stalin as a tool, when in fact it was they who were being used. In this way, without realising it, Kamenev and Zinoviev laid the basis for Stalin's victory over the Bolshevik Party, and over themselves. They felt themselves superior to Stalin, and, in a moral and intellectual sense, they were right. But Stalin's strength lay, not in his intellect, but in the fact that he reflected the pressure and the interests of millions of officials who were thirsting for power. In this struggle, Kamenev and Zinoviev were handicapped by the very same qualities that had earlier been their strength - their faith in the revolution and loyalty to the cause of the working class. By the time of his break with them,

Stalin had none of this. He was motivated purely by ambition for himself, but unlike Kamenev and Zinoviev, was not burdened down by principles. He eagerly based himself upon the bureaucracy, first in the Party, the *apparat*, which he dominated, and later became the champion of the millions of former Tsarist officials who continued to function under the protective colouring of the Soviet state.

This process eventually ended in the slaughter of the Old Bolsheviks, who could not stomach Stalin's destruction of the Revolution and the party of Lenin. Stalin thus played the role of the executioner of the Bolshevik Party. Yet it

is necessary to see that, if Stalin had not existed, or if he had refused to act in the interests of the bureaucracy, he would merely have been replaced by someone else. In the concrete conditions, it would almost certainly have meant the victory of Bukharin's faction. This would have meant the victory of capitalist restoration even at that time. In a panic reaction, Stalin was later forced to adopt in a caricature form many of the policies of the Left Opposition. Without this, the pressure of the kulaks in the countryside and the NEPmen in the towns would undoubtedly have led to the overthrow of the regime. The new policy was enthusiastically received by the working class, who nevertheless remained

largely passive. The policy of "dekulakisation" was carried out in a hooligan way by the bureaucracy, which simultaneously covered its rear by striking blows against the Left Opposition.

At the time of their bloc with Stalin, both Kamenev and Zinoviev were not consciously aware of the processes which were taking place in the Soviet state and which they were unwittingly abetting. They did not realise in what direction their attacks on Trotsky and Trotskyism would lead them, any more than did Stalin, at that time. But in attempting to drive a wedge between Trotskyism and Leninism, they set in

motion all the machinery of historical falsification and bureaucratic harassment which marked the first decisive step away from the ideas and traditions of October towards the monstrous bureaucratic police state of Stalin. Thus they were acting as the unconscious agents of processes outside their control and beyond their understanding.

Stalin also had no conscious plan of where he was going. He was utterly blind to the processes taking place. Even Trotsky commented at the time of the Purge trials: "Had Stalin been able to foresee where the struggle against 'Trotskyism' was to lead him, he would undoubtedly have stopped short despite

the perspective of defeating his opponents. But he foresaw nothing." (Trotsky, *Writings 1936-37*, p. 70.) Stalin, with his narrow administrative "practico" mentality, reflected the pressures of the rising Soviet bureaucracy, that layer of officials in the state, industry and increasingly the Party also who had done quite well out of the revolution and were anxious to put a stop to the period of storm and stress, and to get on with the work of organising society, with themselves comfortably installed on top, naturally.

To this layer, the idea of the world socialist revolution was an irritating irrelevance. They had no faith in the

Russian working class, let alone the Germans and British. Stalin privately shared their view, although he would never have dared to say so in public while Lenin was still alive. The anti-Marxist theory of "socialism in one country", first expounded by Stalin in the autumn of 1924, went against everything the Bolsheviks and the Communist International, had preached. How was it possible to construct a national socialism in a single country, let alone an extremely backward country like Russia? Such a thought never entered the heads of any Bolshevik, including Stalin's up until 1924. In April 1924, in a speech to students at the Sverdlov University, later published under the title

Foundations of Leninism, Stalin stated:

"The overthrow of the power of the bourgeoisie and the establishment of a proletarian government in one country does not yet guarantee the complete victory of socialism. The main task of socialism, the organisation of socialist production, still lies ahead. Can this task be accomplished, can the victory of socialism in one country be attained, without the joint efforts of the proletariat of several advanced countries? No, this is impossibleÉ For the final victory of socialism, for the organisation of socialist production, the efforts of one country, particularly of such a peasant country as Russia are insufficient."

(Stalin, *Lenin and Leninism*, p. 40.)

Here without doubt the general position of the Bolshevik Party is correctly expressed. However, in the second edition, published a few months later, these lines were withdrawn and the exact opposite put in their place:

"But the overthrow of the power of the bourgeoisie and the establishment of the power of the proletariat in one country does not yet mean that the complete victory of socialism has been assured. After consolidating its power and leading the peasantry in its wake *the proletariat of the victorious country can and must build a socialist*

society" (Stalin, *Collected Works*, Vol. 6, p. 110, my emphasis.)

The United Opposition

Zinoviev and Kamenev, already worried about Stalin's growing power, rudeness and disloyalty, were profoundly shocked by this development. Within a year they had broken with Stalin and went over to the Left Opposition. This realignment at the top of the Party was due to the growing pressures from the workers of Leningrad who were alarmed by the policy of enriching the kulaks and NEPmen. Zinoviev and Kamenev later admitted that the myth of Trotskyism had been deliberately invented to discredit

Trotsky. In a typically Bonapartist fashion, Stalin now leaned on the right wing of Bukharin and Tomsky to attack the Left Opposition. The Left Opposition waged a heroic battle to maintain the original ideas of the Revolution against the growing bureaucratic reaction within the Party. Not only did they fight for the restoration of party democracy but they argued for an economic plan that could harness the productive potential of the Soviet economy. The Opposition had understood early on that industry could not continue by resting upon equipment inherited from the past, but needed on the basis of "socialist accumulation" to expand industry through national planning. Such a plan could increase the

tempo of production far faster than in the capitalist West. But the Stalin leadership chose to move with great caution, attacking the leaders of the Opposition as "super-industrialisers".

Stalin's belated reply to the Opposition proposals was a pessimistic draft Five-Year Plan published in 1927. Industrial production was projected to grow at a declining rate from 9 per cent to 4 per cent! Under the harsh criticism from the Opposition the plan was finally revised upwards to 9 per cent annually, but was still far below the projections of between 15 per cent and 18 per cent growth rates of the Opposition. Stalin continued to attack Trotsky and the

Opposition as super-industrialisers. As late as April 1927, he argued at the Central Committee that to build the Dnieperstroy hydroelectric power station would be the same as asking a peasant to buy a gramophone instead of a cow! The ruling group's policy of support for the kulak and reliance on the market was leading to a growing differentiation in town and country. The increasing power and influence of NEPmen and kulaks was reaching dangerous proportions. The rising tide of capitalism was visible everywhere. These alien class pressures had earlier opened up a struggle in the Communist Party leadership. Those on the right wing - Bukharin, Rykov, Tomsky -

wanted to give still greater concessions to the kulaks. Stalin balanced between the different factions in the Politburo, preferring to adopt a centrist position on questions and leaning for support, now on the left, now on the right. In his struggle with the Left Opposition he rested on Bukharin's right wing. In 1925, Stalin even began to prepare for the denationalisation of the land. Bukharin, who in April 1925 urged the peasantry to "Get rich", envisaged these rich kulaks "growing into socialism". He talked of "riding into socialism on a peasant nag". This policy, which would have led to the restoration of capitalism in Russia, was bitterly opposed by Trotsky and the Left Opposition which

advocated a policy of voluntary collectivisation of agriculture and industrial planning.

Despite the hopes of the leadership, the kulaks moved not to socialism but to capitalist counter-revolution. By the spring of 1926 almost 60 per cent of grain for sale was in the possession of 6 per cent of the kulaks. And by early 1928, with the kulak blockade of grain, the spectre of famine in the towns became a serious threat. According to Alec Nove: "The shortfall in grain procurements may be seen from the fact that by January 1928 the state had succeeded in purchasing only 300 million poods, as against 428 million on

the same date in the previous year." (Alec Nove, *An Economic History of the USSR*, p. 149.) The whole regime was shaken to its foundations by the impending crisis. Every town and city was faced with a food blockade. The kulaks had acquired tremendous power and were now determined to use it to overturn the regime.

On the 7th November 1927, the tenth anniversary of the October Revolution, the United Opposition (2) intervened in the marches and demonstrations with banners proclaiming: "Strike against the kulak, the NEPmen and bureaucrat!" "Carry out Lenin's *Testament!*" and "Down with opportunism!" Trotsky and

the other Opposition leaders were given a tremendous reception by the workers of Leningrad, who voiced their dissatisfaction with the bureaucratic leadership. The workers and the youth were sympathetic to the Opposition, but exhausted and disheartened. As Trotsky warned the impressionistic Zinoviev, who took this as a sign that the situation had changed, this sympathy did not mean that the masses were prepared to take action. On the contrary, this demonstration convinced the ruling group of the need to take immediate measures against the Opposition. One week later, after a ferocious campaign of denigration, Trotsky, Zinoviev, Kamenev, Rakovsky, Smilga and

Yevdokimov were expelled from the Central Committee. In December the entire Left Opposition was expelled from the Communist Party. As a consequence, those who lacked a political perspective and backbone capitulated. The Zinovievists deserted the Opposition. Demoralised and disoriented, Zinoviev and Kamenev surrendered to Stalin. The Trotskyists, in contrast, refused to submit.

Tens of thousands of Left Oppositionists were sacked from their jobs, their families hounded, and sent into exile. Now the campaign of repression against the Opposition began in earnest. After their break with Stalin, Kamenev, who

knew Stalin very well, had warned Trotsky: "Do you think that Stalin is now busy thinking how best to refute our criticism? You are mistaken. He is thinking of how best to destroy you— First morally, and then, if possible, also physically. By covering you with slander, by organising a provocation, by laying a military conspiracy at your door, by staging a terrorist act. Believe me, this is not guesswork. In our triumvirate we had many occasions to be frank with one another, although even at that time our personal relations more than once verged upon an explosion. Stalin wages a struggle on a totally different plane from yours—" (Trotsky, *Writings, 1936-37*, p. 43.) At the 15th

Congress Stalin proclaimed the Opposition "liquidated". Trotsky and his family were exiled to Alma-Ata, then deported to Turkey. This was a turning-point in the consolidation of the power of the Stalinist bureaucracy.

Why didn't Trotsky take power?

Quite a few writers have raised the question: "Why didn't Trotsky use his position, especially his authority in the Red Army, to seize power at the time?" In a recent book, *The Ideas of Leon Trotsky*, edited by H. Ticktin and M. Cox, we find the following assessment: "Trotsky has been attacked on the grounds that he was no politician. As we

have argued above, there is an element of truth in the charge. The second charge against Trotsky is that he misunderstood the nature of the new regime under Stalin. This and the charge that he was no politician are linked in that it would have been his duty to have taken power from Stalin, if he had understood the nature of the counter-revolution that was to occur. He failed to understand the true nature of the beast in the crucial years when he could have prevented its rise." (H. Ticktin and M. Cox, *The Ideas of Leon Trotsky*, pp. 13-6.)

The whole episode is here reduced to the struggle of individuals and their

particular qualities. These arguments are mere echoes of the arguments of the historians E.H. Carr, Richard B. Day, Moshe Lewin and Isaac Deutscher, who also saw the struggle largely in terms of personalities. Carr claims that Trotsky "failed to the last to understand that the issue of the struggle was determined not by the availability of arguments but by the control and manipulation of the levers of power. Later he argues: "He had no stomach for a fight whose character bewildered and eluded him. When attacked, he retreated from the arena because he instinctively felt that retreat offered him the best chance of survival." (E. H. Carr, *Socialism in One Country*, Vol. 2, p. 43.) Moshe Lewin

again makes a similar criticism: "He [Trotsky] also had the weakness of a man who was too haughty and, in a sense, too idealistic to indulge in the political machinations inside the small group of leaders. His position as an outsider, on account of his past and his style, prevented him from acting when the moment came - for him, it only came once - with the necessary determination." (M. Lewin, *Lenin's Last Struggle*, p. 140.)

The fact is that the struggle was not an issue of personal power, of Trotsky versus Stalin, but a struggle of living forces. Those who argue that Trotsky only had to use the Red Army to take

power display a complete lack of understanding of the nature of power itself. Power is not a product of the will of individual "great men", as Nietzsche and others imagined, anticipating the ideology of Fascism. It is a reflection of the balance of forces between the classes in society. To use the army as a political force inevitably leads directly to Bonapartism. That is ABC for a Marxist. Bonapartism can only exist in certain conditions, normally when the contending classes in society are deadlocked. This creates conditions where the state apparatus lifts itself above society and acquires a certain degree of independence. Trotsky, just as Lenin before him, always placed his

hopes in the working class. The workers sympathised with the positions of the Opposition, but were too exhausted and disappointed to do anything about it. They remained passive. The veteran Yugoslav Communist and Oppositionist Ante Ciliga, who was in Russia in the mid-1920s, comments on the mood of the workers at this time:

"The impression that these meetings and private conversations left on me was favourable, on the whole; but I was struck by the passive attitude of many of the workers. One felt that they had neither interest nor enthusiasm, but on the contrary a frigidity of manner, an exaggerated reticence. It was

depressing. The workers seemed to say by their silence: it is all very well but what does it mean to us? One had to pester each person to get a word out of him." (A. Ciliga, *The Russian Enigma*, p. 21.)

As Trotsky explained in one of his last writings: "On the side of the Opposition was the youth and a considerable portion of the rank and file; but on the side of Stalin and the Central Committee were first of all the specially trained and disciplined politicians who were most closely connected with the political machine of the general secretary. My illness and my consequent non-participation in the struggle was, I grant,

a factor of some importance; however, its importance should not be exaggerated. In the final reckoning it was a mere episode. All-important was the fact that the workers were tired. Those who supported the Opposition were not spurred on by a hope for great and serious changes. On the other hand the bureaucracy fought with extraordinary ferocity."

Passive support and sympathy was not enough to prevent the advance of the bureaucracy. Of course, a victory of the revolution in, say, China, would have completely transformed the situation, reviving the spirits of the Russian workers, and halting the bureaucratic

counter-revolution in its tracks. But instead of victories there only came news of defeats, as a direct consequence of the policies of the Stalin-Bukharin leadership.

Ticktin and Cox state that: "We have to suspect that Trotsky at first was not prepared to lead. Later, of course, he refused to take power. He was the leader of the Red Army, and in 1924 Antonov-Ovseenko, chief political commissar of the Red Army, actually proposed that Trotsky take over." (Ticktin and Cox, *op. cit.*, p. 13.) This is typical of the superficial approach to history which reduces it to a struggle of individual personalities. In general, if you ask the

right question you stand a good chance of getting the right answer. If you ask the wrong question you will invariably get the wrong answer. Messers Ticktin and Cox do not even know what question to ask in the first place, and therefore end in a mess. The Left Opposition were not Bonapartists but revolutionary Marxists. That being so, they could not look to the military for solutions to the problem. They based themselves on the working class - not for sentimental or arbitrary reasons, but because only the working class can bring about the socialist transformation of society. *To base oneself on any other class or social group may achieve a change in society, but never in the direction of a healthy*

workers' state.

People like Ticktin and Cox imagine themselves to be superior to Trotsky, who, they imply, was either too stupid or too cowardly to take power, whereas Stalin, one must assume, was more intelligent and more courageous. These "wise" academics write glibly about "the question of power" and at the same time *show that they do not have the slightest idea of what power is*. Trotsky explained that "power is not a prize which the most 'skillful' win. Power is a relationship between individuals, in the last analysis between classes". (Trotsky, *Writings 1935-36*, p. 177.)

In the absence of the active participation of the workers, there were indeed conditions for Bonapartism in Russia. But the use of the military in politics is not a thing that can be disposed of like putting a sword placed back into its sheaf. *To rely upon the Red Army to take power would have resulted, in the given conditions, not in the prevention of the political counter-revolution but, on the contrary, in enormously accelerating it.* The sole difference would be that instead of a civilian bureaucracy, the military caste would be in power. The fact that Trotsky was at the head would have meant nothing. Either he would do the bidding of the officer caste (which was naturally ruled

out), or he would be removed and replaced with someone who would. At that stage, the movement towards reaction had not yet acquired a definitive character. The bureaucracy was still feeling its way. Stalin's cautious policy reflected this fact. A military coup would have led very quickly to the consolidation of proletarian Bonapartism. The faces would have been different, but the essence the same. The whole process of degeneration would have been enormously speeded up. That is all.

The role of the individual

Without doubt the role of individuals,

with all their strengths and weaknesses, plays an important role, but we can only understand this role in the context of the struggle of social forces. The role of the individual in history is not more decisive than the objective conditions that they live in, although the personal ability, intellect and character of individuals certainly does affect the historical process, and, at critical points, may be decisive. Without Lenin and Trotsky, the October Revolution would never have taken place. This is a concrete fact. There can be no doubt that the policies of Zinoviev, Kamenev and Stalin would have led to defeat, and the triumph of reaction in 1917, after which we would have been treated to a large

number of doctoral theses "proving" beyond all doubt that the idea of a successful socialist revolution in Russia was completely utopian.

Historical materialism does not at all deny the role of the individual in history. It merely explains that individuals are not absolutely free agents, as idealists imagine, but must operate on the basis of given social and economic conditions which are not chosen by themselves and operate according to laws created independently of the will of men and women. Once we understand these laws, we are in a position to arrive at a scientific analysis of the real scope and significance of the actions of the

individual player on the historical stage. The same Lenin and Trotsky who led the Russian workers to victory in 1917 remained isolated and powerless for decades before this. For all their personal abilities and theoretical knowledge, they did not stand above the general conditions of society. Just as Lenin and Trotsky set their stamp on the October Revolution and the regime that emerged from it, so the bureaucratic counter-revolution has become so closely linked with the name of Stalin that the two have become synonymous. But of course, the political counter-revolution in the USSR did not depend upon one man. That would be a mechanical interpretation of history.

With or without Stalin, if the revolution remained isolated in a backward country, reaction was inevitable, sooner or later, in one way or another. This, however, does not exhaust the question. In politics as in warfare, the question of "sooner or later" and "one way or another" is not at all secondary, and can be decisive.

In the first period Stalin had no idea where he was going. He did not want the defeat of the Chinese workers in 1927, or the German workers in 1923 or 1933. Yet his policies guaranteed defeat in each case. This, in turn, meant the further isolation of the revolution in Russia, which was the real material basis for the

victory of the bureaucratic counter-revolution, which Stalin had initially neither anticipated nor desired.

Furthermore, the monstrous *form* which the counter-revolution took was certainly affected by Stalin's personal character and psychology. Helvetius remarked long ago: "Every period has its great men, and if these are lacking, it invents them." The apparatus was discovering that Stalin was the flesh of its flesh. He was a secondary figure in the October Revolution, narrow in vision, and a creature of the apparatus. Thus, in his whole mentality and outlook, Stalin embodied the views and aspirations of the rising layer of functionaries and administrators in the

offices of the state, the trade unions and even the Communist Party.

These people had done quite well out of the Revolution, enjoyed certain privileges which, while very modest in comparison to the later life-style of the ruling caste, under the prevailing conditions of appalling misery, were important enough to set them apart from the masses. These functionaries - many of them recruited from the enemies of Bolshevism, Mensheviks, non-party elements and not a few Tsarist officials - automatically gravitated to those elements in the ruling party who were closest to their outlook. In the ranks of the Bolsheviks there were many who,

while sincerely devoted to the cause of socialism, were insufficiently steeped in the ideas and principles of Marxism. They were the notorious "committeemen", the organisers, the Party practicos with their traditional contempt for theory and impatience with broad generalisations, and inclination towards administrative solutions.

After the Revolution, there was a pressing need for able administrators to run the state. Many people were thrust into positions of responsibility without having the necessary preparation. Many of the best elements were killed in the civil war, and replaced by less able people. Once in positions of

responsibility, they found themselves in close contact with the old Tsarist officials who knew the ropes. Often it was difficult to know who was leading whom, as Lenin bitterly complained. The demobilisation of the Red Army after the civil war added to the problem.

Although the Red Army had been thoroughly democratised, the low cultural level of the mass of peasant soldiers meant that many of the officers and NCOs had got used to the method of command. In the prevailing conditions of industrial collapse and the partial atomisation of the proletariat, the working class was no longer able to exercise the same degree of control. Gradually, the state apparatus was

slipping out of control.

"It would be naive to imagine that Stalin, previously unknown to the masses, suddenly issued from the wings fully armed with a complete strategic plan," says Trotsky. "No indeed. Before he felt out his own course, the bureaucracy felt out Stalin himself. He brought it all the necessary guarantees: prestige of an Old Bolshevik, a strong character, narrow vision, and close bonds with the political machine as the sole source of his influence. The success which fell upon him was a surprise at first to Stalin himself. It was the friendly welcome of the new ruling group, trying to free itself from the old principles and from the

control of the masses, and having need of a reliable arbiter in its inner affairs. A secondary figure before the masses and in the events of the revolution, Stalin revealed himself as the indubitable leader of the Thermidorian bureaucracy, as first in its midst." (Trotsky, *The Revolution Betrayed*, p. 93.)

What was decisive here was the shift in the balance of class forces. The working class was exhausted and weakened by the years of war, revolution and civil war. The delay of the international revolution had a depressing effect on the Russian workers. On the other hand, the rising layer of bureaucrats increasingly felt themselves masters of the situation.

The theory of socialism in one country was merely the ideological expression of a petty bourgeois reaction against October which arose from the vague yearning of these elements for an end to the storm and stress of the revolution, for order which would allow them to get on with the tasks of administering society - from above. When a worker would occasionally protest against the arrogant behaviour of the officials, he would be asked ironically: "What year do you think this is? 1919?"

Even if Lenin had lived, it would not have made a fundamental difference. It required a favourable turn in the objective situation to alter the balance of

forces within the party. It is entirely false, superficial, and, in fact, stupid, to believe that such a profound historical transformation could be explained in terms of the supposed cleverness or otherwise of intriguers at the top. This is merely a variant of the conspiracy theory of history, which has nothing in common with Marxism, which explains history in terms of the struggle between classes.

As Trotsky himself explained:

"Numerous critics, publicists, correspondents, historians, biographers and sundry amateur sociologists have lectured the Left Opposition from time to time on the errors of its ways, saying that the strategy of the Left Opposition was not feasible from the point of view of the

struggle for power. However, the very approach to the question was incorrect. The Left Opposition could not achieve power, and did not hope even to do so - certainly not its most thoughtful leaders.

"A struggle for power by the Left Opposition, by a revolutionary Marxist organisation, was conceivable only under the conditions of a revolutionary upsurge. Under such conditions the strategy is based on aggression, on direct appeal to the masses, on frontal attack against the government. Quite a few members of the Left Opposition had played no minor part in a struggle and had first-hand knowledge of how to wage it. But during the early twenties

and later, there was no revolutionary upsurge in Russia, quite the contrary. Under such circumstances it was out of the question to launch a struggle for power." (Trotsky, *Stalin*, p. 403.)

(1) Prior to the creation of the USSR, the Federation was known as the Russian Socialist Federal Soviet Republic (RSFSR). ([back to text](#))

(2) The United Opposition was formed in 1926 between Trotsky's Left Opposition and the supporters of Zinoviev and Kamenev. ([back to text](#))

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Russia:

**from Revolution to
counterrevolution**

Part Three:

From Five-Year Plan to the Purges

Forced collectivisation

After years of pandering to the kulaks, the Stalin/Bukharin leadership was taken completely by surprise by the crisis of 1927-28. All the warnings of the Left Opposition were proved entirely correct. Stalin panicked and ordered a

complete turn around in policy. After eliminating the Left Opposition, Stalin leaned on the workers to launch a series of blows at the Right Opposition. By 1930, Stalin had the Right Opposition leaders Bukharin, Tomsky and Rykov removed from the Party leadership. These individuals - the head of the Communist International, the head of the Soviet government and the leader of the Russian trade unions - were now all denounced as agents of the counter-revolution! Taking up some of the points of the Left Opposition, but in a twisted and bureaucratic fashion, Stalin swung in a ultra-left direction. Had it not been for the campaign of the Left Opposition, Stalin would have continued his pro-

kulak policy, leading to the liquidation of all the gains of the October Revolution.

As explained by Trotsky: "Without the Opposition's bold criticism and without the bureaucracy's fear of the Opposition, the course of Stalin-Bukharin toward the kulak would have ended up in the revival of capitalism. Under the lash of the Opposition the bureaucracy was forced to make important borrowings from our platform. The Leninists could not save the Soviet regime from the process of degeneration and the difficulties of the personal regime. But they saved it from complete dissolution by barring the road to capitalist

restoration. The progressive reforms of the bureaucracy were the byproducts of the Opposition's revolutionary struggle. For us it is far too insufficient. But it is still something." (Trotsky, *Writings 1935-36*, p. 179.)

Lenin always advocated the collectivisation of agriculture gradually and by voluntarily means. But he certainly never entertained the mad idea that millions of scattered peasant holdings could be forced to collectivise overnight at gun-point. Collectivisation was to take place through example. The peasant was to be convinced by patient argument and through the setting up of model collective farms and the

introduction of the latest modern technology, tractors, fertilizers, electricity, schools, etc. Such a perspective was obviously linked to the development of Soviet industry through five-year plans. The idea of collectivisation on the basis of wooden ploughs was a self-evident nonsense. As Trotsky explained, this problem "is far from settled by these general historical considerations. The real possibilities of collectivisation are determined, not by the depth of the impasse in the villages and not by the administrative energy of the government, but primarily by the existing productive resources - that is, the ability of the industries to furnish large-scale agriculture with the requisite

machinery. These material conditions were lacking. The collective farms were set up with an equipment suitable in the main only for small-scale farming. In these conditions an exaggeratedly swift collectivisation took the character of an economic adventure". (Trotsky, *The Revolution Betrayed*, p. 38.)

To safeguard and entrench itself as a privileged caste, the Stalinist bureaucracy was forced to lean on the workers to smash the incipient bourgeois counter-revolution. Armed detachments were now sent into the countryside to release the grain stocks to feed the cities. The Stalinists veered from opportunism to an ultra-left position.

This led to the insane policy of "liquidation of the kulaks as a class" and the complete collectivisation of agriculture "at the earliest possible date". As a consequence, the proportion of collective farms rose in 1929 from 1.7 per cent to 3.9 per cent. In 1930 it increased dramatically to 23.6 per cent, in 1931 to 52.7 per cent, in 1932 to 61.5 per cent, in 1933 to 64.4 per cent, in 1934 to 71.4 per cent, in 1935 to 83.2 per cent, and in 1936 to 89.6 per cent. The percentage of crop area collectivised rose from 33.6 per cent in 1930 to 94.1 per cent in 1935.

The methods used by Stalin to collectivise the peasantry had nothing in

common with the ideas of Lenin. "They collectivised not only horses, cows, sheep, pigs, but even new-born chickens," noted Trotsky. "They 'dekulakised,' as one foreign observer wrote, 'down to the felt shoes, which they dragged from the feet of little children.' As a result there was an epidemic selling of cattle for a song by the peasants, or a slaughter of cattle for meat and hides." (Ibid., p. 39.) By 1932 grain production fell by nearly 250 million hundredweights; sugar beet fell by half; the number of horses by 55 per cent; horned cattle fell by 40 per cent; the number of pigs by 55 per cent; and sheep by 66 per cent. "Stock was slaughtered every night in Gremyachy

Log. Hardly had dusk fallen when the muffled, short bleats of sheep, the death-squeals of pigs, or the lowing of calves could be heard," writes Sholokhov in *Virgin Soil Uplifted*. "Both those who had joined the kolkhoz and individual farmers filled their stock. Bulls, sheep, pigs, even cows were slaughtered, as well as cattle for breeding. The horned stock of Gremyachy was halved in two nights." (Quoted in Nove, *An Economic History of the USSR*, p. 174.) All forces were directed to procurements.

The human and economic consequences were appalling. Millions perished in the ensuing famine. The death-toll for the period 1931-33 has been estimated at

around seven million. Unlike 1921, there was no relief for the starving. In fact, the existence of the famine was officially denied. Viktor Kravchenko, then an officer in the GPU ([1](#)), recalls the position:

"'I will not tell you about the dead,' she said. 'I'm sure you know. The half-dead, the nearly-dead are even worse. There are hundreds of people in Petrovo bloated with hunger. I don't know how many will die every day. Many are so weak that they no longer come out of their houses. A wagon goes around now and then to pick up the corpses. We've eaten everything we could lay our hands on - cats, dogs, field mice, birds - when

it's light tomorrow you will see the trees have been stripped of their bark, for that too has been eaten. And the horse manure has been eaten.' I must have looked startled and unbelieving. 'Yes, the horse manure. We fight over it. Sometimes there are whole grains in it.'" (Viktor Kravchenko, *I Chose Freedom*, p. 67.)

Part of this insane collectivisation were measures to liquidate "the kulaks as a class". According to N. Ivnitsky roughly 300,000 kulak households were deported. (Quoted in Alec Nove, *An Economic History of the USSR*, p. 167.) The whole of agriculture was reduced to a state of acute crisis. The bureaucracy

was forced to beat a disorderly retreat. Consequently, they were forced to grant the peasantry, alongside the collective farms, small personal farm holdings. Nevertheless, Soviet agriculture was never fully able to recover from this debacle. This was a terrible consequence of the bureaucratic commandism of the Stalinist regime.

Economic zig-zags

On the industrial front Stalin also ordered a complete about change in policy. The Stalin-Bukharin policy of slow cautious growth of industry was abandoned. Industrialisation was now placed on the order of the day. Industrial

growth was to be achieved a break-neck speed. In December 1929 a Congress of "shock brigades" adopted a call to fulfil the Five-Year Plan in four years. On the 4th February 1931 Stalin spoke of fulfilling the plan "in three years in all the basic, decisive branches of industry". In the same speech he declared: "It is sometimes asked whether it is possible to slow down the tempo somewhat, to put a check on the movement. No, comrades, it is not possible. The tempo must not be reduced! On the contrary, we must increase it!" As Trotsky said: "All the old criteria were turned upside down; minuses and pluses changed place." (Trotsky, *The Revolution Betrayed*, p.

36.)

This dramatic shift to the left created confusion amongst a layer of the scattered forces of the Left Opposition. Since 1928 the leading group of the Opposition had been separated through exile from one another by enormous distances. A mood of conciliation and capitulation developed amongst a layer of the former Oppositionists. First of all, Zinoviev and Kamenev recanted their "errors", then others, like Radek and Preobrazhensky, followed suit. Trotsky condemned these actions as a betrayal, as they could not further the aims of reforming the Party or the Soviet Union. Commenting on these capitulations, he

observed: "Revolution is a mighty devourer of people." A layer had been worn out in the stormy events of the previous decade and more. Trotsky stood out firmly against this mood: "A capitulation of the Opposition would mean: (a) condemning ourselves to a Zinovievist vegetable existence - nature knows no more shameful state, and (b) an immediate swerving of the Stalinists to the right." (Trotsky, *Writings 1929*, p. 136.) In any case, this capitulation of former Oppositionists did not save them. Most were framed and shot by Stalin as "enemies of the Soviet Union" between 1936 and 1938.

In assessing what had happened, Trotsky

commented: "The bureaucracy conquered something more than the Left Opposition. It conquered the Bolshevik Party. It defeated the programme of LeninÉ not with ideas and arguments, but with its own social weight. The leaden rump of the bureaucracy outweighed the head of the revolution. That is the secret of the Soviet's Thermidor." (Trotsky, *The Revolution Betrayed*, p. 94.) With supreme confidence in the working class, he concluded: "We regret nothing and repudiate nothing. We are living with the same ideas and attitudes that moved us in the days of October 1917. We can see beyond these temporary difficulties. No matter how much the river bends, it flows to the ocean."

(Trotsky, *Writings 1929*, p. 369.)

On the 5th September 1929 the principle of one-man management was introduced. The factory party organisation was told not to interfere with the director's powers. Whereas the trade unions were to be "the energetic organisers of production activity and of the initiative of the labouring masses". A series of decrees between 1930 and 1933 punished absenteeism with the sack and eviction from factory housing. On the 21st November 1931 the working-week was lengthened, which eliminated Sunday as a regular day of rest. Resources were channelled away from consumption to investment in heavy

industry. Those who stood against the wildly exaggerated norms of production were denounced as Menshevik saboteurs. At the end of 1930 and early in 1931 two big trials - based upon false confessions - were held concerning economic sabotage and wrecking activities. A large number were shot.

The new ultra-left zig-zag now led to economic adventurism, and a drive in the 1930s to build "communism" within the confines of the USSR. Draconian methods were used to catch up as rapidly as possible with the West. Stalin declared: "We are fifty or a hundred years behind the advanced countries. We must make good this distance in ten

years." This adventurist aim wrought havoc in the economy.

In January 1931 Stalin declared that the first Five-Year Plan had been completed in four years three months. But the dash for growth hit deep crisis in 1933, as limits and bottlenecks were encountered throughout the economy. Agricultural production had reached its lowest point. Living standards suffered as a consequence. By 1934 things began to partially recover. Despite this dislocation, during the first Five-Year Plan about 1,500 big enterprises had been constructed. These included the Dneproges, the Magnitogorsk and Kuznetsk metallurgical complexes, the

Ural machine factory, the Rostov agricultural-machinery plant, tractor factories at Chelyabinsk, Stalingrad, and Kharkov, car factories in Moscow and Sormovo, the Ural chemical works, the Kramator factory of heavy machinery, and so on.

"Whatever the validity of certain official claims," says Alec Nove, "it remains true beyond question that the second Five-Year Plan period was one of impressive achievement." (Alec Nove, *An Economic History of the USSR*, p. 231.) In 1932, 338 million roubles' worth of machine tools were imported, which represented 78 per cent of all machine tools installed that year. By

1937, however, all the basic tools of industrialisation, and of arms production, were made in the Soviet Union. The economic growth between 1935-36 was considerable. In 1934 gross industrial output rose by 19 per cent, in 1935 by 23 per cent, and in 1936 by 29 per cent. Agricultural production also steadily recovered.

New sectors of industry were established that never existed before, such as machine tools, car and tractor manufacturing, a chemical industry, motor works, aircraft factories, production of turbines and generators, high grade steel, ferrous alloys, synthetic rubber, artificial fibres, nitrogen, and

other products. The construction of hundreds of thousands of kilometres of railroad and canals were undertaken. The eastern part of the country became the second metallurgical and oil centre of Soviet industry. Hundreds of new cities and settlements were founded. In the following years, while the capitalist world was paralysed by the worst slump in history, the USSR took giant strides forward.

The Stalin regime brought in piece work, and its corollary, the shock brigades of the Stakhanovite movement to increase the productivity of labour. New higher work norms were introduced across the board. In early 1936 norms were sharply

increased by 30-40 per cent in engineering, 34 per cent in chemicals, 51 per cent in electricity generation, 26 per cent in coalmining, and 25-29 per cent in oil production. At the same time the Stalin regime proclaimed the "final and irrevocable triumph of socialism". Piece-work, described by Marx as "the most suitable to capitalistic methods of production", was hailed as socialist piecework! It was applied in its most naked form and provoked bitter resentment in the Russian working class.

"State ownership of the means of production does not turn manure into gold," stated Trotsky, "and does not surround with a halo of sanctity the

sweat-shop system, which wears out the greatest of all productive forces: man. As to the preparation of a 'transition from socialism to communism' that will begin at the exactly opposite end - not with the introduction of piecework payment, but its abolition as a relic of barbarism." (Trotsky, *The Revolution Betrayed*, pp. 82-3.)

Only during the second Five-Year Plan did real wages begin to rise. Bread rationing was abolished from the 1st January 1935, and by October, the rationing of meat, fats, fish, sugar, and potatoes was also abandoned. In January 1936 rationing of industrial products for general consumption was also dropped.

Money relations - after a period of chronic inflation - were restored. Also in 1935, the system of planned distribution gave way to trade. Bread and flour prices were reduced. In 1937 the average price of all non-food items fell by 3.8 per cent. According to Malafeyev, the retail price index rose by 80 per cent between 1932-37, while average wages rose by 113 per cent. Allowing for services, he concludes that real wages rose in this period by "at least 20 per cent".

Alec Nove believes the increase was even greater given the greater availability of goods and better trading arrangements. Nevertheless, although

life improved it was still very grim as real wages still trailed below the level of 1928. The comments of Stalin, "life has become easier, life has become happier, and when life is happy then work goes fast", were an obvious over exaggerated view of Soviet life.

However, in marked contrast to the capitalist West, unemployment was abolished. In fact the economic advance gave rise to a shortage of labour which was overcome by millions of peasants entering Russian industry.

Increased social divisions

Stalinism meant the obliteration of basic workers' rights - the right to strike,

organise, freedom of speech, etc. - that exist in the "democracies" of the capitalist West. Political counter-revolution had already begun in 1924 with the intrigues of Stalin and his domination of the Party and state apparatus. However, it was a protracted process. The old cadres of the revolution were gradually eliminated and replaced by the all-powerful bureaucracy. By the early 1930s, the defeat of the Left and then the Right Oppositions cleared the way for the complete domination by the Stalinist faction. "The Jacobins have been pushed out by the Thermidorians and Bonapartists," Trotsky wrote. "Bolsheviks have been supplanted by

Stalinists."

From 1932 to 1947 no trade union congresses were held in the USSR. The trade unions were transformed into mere appendages of the state. The soviets had long ago changed into organs of bureaucratic rule. Stalin drew up a new constitution in 1936 and hailed it the "most democratic" in the world. On the eve of the 1937 general elections, Stalin declared: "Never before - no, really never - has the world ever seen elections so completely free, and so truly democratic! History has recorded no other example of the kind." (J. V. Stalin, Speeches at Pre-election Meetings of the Stalin Election District

in Moscow Province. 11th December 1937 and 9th February 1946 (Russian), Moscow 1946, p. 5. Quoted by T. Cliff, *State Capitalism in Russia*, p. 121.)

However, this "democratic" constitution did not prevent the rigging of all elections with the CP candidate getting around 99.9 per cent of the votes. At one election to the local soviets on 21st December 1947, Stalin polled 2,122 votes, despite the fact that the constituency only had 1,617 voters! This was explained by *Pravda* the following day: "The extra ballot papers were put into the urns by citizens of neighbouring constituencies anxious to seize the opportunity to express their gratitude to their leaders." ! (Ibid., p. 121.)

Blatant ballot rigging was clearly revealed in the referendum in Lithuania on the 12th July 1940 concerning the union of Lithuania with the USSR.

Through bungling, Moscow announced the result after the *first* day of a two-day referendum! As one commentator explained: "It was an unfortunate slip by which a London newspaper published the official results from a Russian news agency twenty-four hours before the polls were officially closed." (Ibid, p. 122.)

The bureaucracy, with Stalin at its head, was consolidating its hold over power. By the mid-1930s, the bureaucracy had secured for itself a privileged and

powerful position far greater than any other bureaucracy in history. Using the whip of bureaucratic commandism, and its auxiliary in the Stakhanovite movement, the productivity of labour as a whole rose substantially in these years. This propelled industry forward, but it also provided greater privileges for the bureaucracy. The increase of production "on the basis of commodity circulation, means at the same time a growth of inequality", noted Trotsky. "The rise in the prosperity of the commanding strata is beginning to exceed by far the rise in the standard of living of the masses. Along with an increase of state wealth goes a process of new social differentiation." (Trotsky, *The*

Revolution Betrayed, pp. 115-6.) While rationing was abolished, and real wages increased for the majority, the privileges of the bureaucracy grew enormously.

With economic growth came, not growing equality, but increased social division. There thus occurred a division not only between the workers and bureaucracy, but also between the lower and higher paid workers.

As the economy leapt forward, the wages and perks of top officials grew much faster than real wages of the workers. Some bureaucrats held several positions, thereby drawing several salaries. A system of subsidies for officials was also introduced from the

level of chairman of a city soviet upwards. As Marx explained on the basis of "generalised want", the struggle for existence threatens to revive "all the old crap". Under the Stalin regime, this took an aggravated form. "Always and in every regime," notes Trotsky, "the bureaucracy devours no small portion of the surplus value."

The rule preventing Communist Party officials receiving more than a skilled worker (the "party maximum") was formally abolished on the 8th February 1932. The bureaucracy was eager to share in the growing surplus produced by the labour of the Russian working class. It devoured, wasted and

embezzled a considerable proportion of the national income. A small group of top officials were receiving privileges as early as the first Five-Year Plan by the creation of a system of special shops, distributing centres, and dining-rooms, where goods could be obtained at fixed prices - a great privilege in a period of high inflation. Other privileges were gradually built up: special hospitals, holiday homes, dachas, etc. Extra perks were also received by Party officials for conferences, congresses, and so on. As parasites, the bureaucracy sought a bigger and bigger share of the national wealth. To prevent collapse, this corruption had to be curtailed or limited in order to preserve the well-being of

the bureaucratic caste as a whole. This was the role of the chief arbiter, Stalin.

Before the second world war, Trotsky calculated that the Soviet bureaucracy - made up of the officials of the state apparatus, the party, trade unions, co-operatives and the military-industrial complex - together with their families and dependants, constituted as many as 20-25 million people, which was 12-15 per cent of the population. However, the bureaucracy was not a homogeneous grouping, unlike the proletariat or peasantry. The ruling caste in the proper sense of the word, was likely to be made up of around 500,000 persons, resting upon a "heavy administrative pyramid

with a broad and many-faceted foundation". It was a heterogeneous grouping ranging from Kremlin dignitaries to local Party and state officials. Trotsky was very careful not to describe this parasitic strata as a new social class.

Exiled to Alma-Ata and then expelled from the borders of the Soviet Union, Leon Trotsky undertook the organisation of an international Left Opposition to continue the defence of the ideas and traditions of Bolshevism. In order to defeat Stalinism, it became essential to define and understand the nature of the bureaucratic reaction within the Soviet Union. With the degeneration of the

Comintern, Trotsky devoted the remainder of his life to organising and theoretically rearming the young revolutionary cadres of the Marxist movement. At a time when the world was mesmerised by the startling advances of the Soviet Union under the original Five-Year Plans, Trotsky was the only one to provide an exhaustive scientific analysis of Stalinism. For this achievement alone, his place in history as one of the great pioneers of Marxist thought would be guaranteed. Yet he did not immediately arrive at a fully-fledged conclusion. This flowed from the nature of the phenomenon itself. The bureaucratic degeneration did not take place overnight. It was a contradictory

process, which unfolded over a period of more than a decade. This explains the on-going nature of Trotsky's evaluation of Stalinism. Scrupulously following the dialectical method, he carefully charted all the twists and turns, laying bare at each stage the contradictory tendencies, and showing how the process was likely to unfold.

In their drive against "Trotskyism" from 1924 onwards, the Stalinists carried through a purge of the Communist Parties internationally in the name of Bolshevisation. These organisational methods had caused splits and divisions in all the national sections. It resulted in a layer of members and ex-members of

the Communist Parties who opposed Stalinism moving in all kinds of political directions. Some moved towards Menshevism and accepted that capitalism had been restored in Russia. Others defined it as "state capitalism" or some kind of new exploitative society, which for them meant the total eradication of the Soviet regime. Others simply renounced the revolutionary movement altogether. Trotsky took issue with these "new" theories which abandoned the USSR as a workers' state. Such ideas even began to surface within the international Left Opposition itself, reflecting the prevailing moods of pessimism and despair in the face of the apparently irresistible advance of the

Stalinist political counter-revolution. Trotsky, in an article written in 1929, entitled *Defence of the Soviet Republic and the Opposition*, took up sharply a leading German Oppositionist, Hugo Urbahns, for misinterpreting his views on the class nature of the Soviet state and asserting that the capitalist counter-revolution had been completed and everything had been lost. Trotsky argued that, while a degeneration had taken place, the basic gains of the revolution were still intact:

"We fight against the Stalinist course," wrote Trotsky. "But Soviet Russia is something quite different from Stalin. Despite all the degeneration, which we

fight and will continue to fight most resolutely, so long as the class-conscious workers are armed, Soviet Russia remains for us a proletarian state, which we defend unconditionally in our own interests, in peace as in war, in spite of Stalin, and precisely in order to defeat Stalin, who is incapable of defending it with his policy. Whoever is not absolutely firm on this question of the proletarian character of Soviet Russia hurts the proletariat, hurts the revolution, hurts the Communist Left Opposition." (Trotsky, *Writings 1929*, pp. 284-5.)

Trotsky at that time described the Soviet bureaucracy as a form of bureaucratic

centrism, reflecting Stalin's shift from left to right and back again. It reflected the attempts of the bureaucracy to regulate the antagonisms in Soviet society, between the workers' state and world imperialism, but in an increasingly Bonapartist manner. For Trotsky the task facing the Left Opposition was not to form another party, but to fight for the reform of the Communist Party as a faction within it; and to struggle not for a new revolution, but for reform of the USSR. This position was staunchly defended by the International Left Opposition up until 1933, when events in Germany forced Trotsky to re-evaluate his position. He regarded the catastrophe in Germany,

culminating in the victory of Hitler, as the historical equivalent of the betrayal of Social Democracy in August 1914. This time, the part played by the leaders of the German Communist Party and the Comintern was even more disastrous. With their mad policies of "Social Fascism", and the so-called united front from below, the German Communist leaders, together with the miserable role of the Social Democratic leaders, split the working class movement and delivered it without a struggle into the hands of Fascism. The theory of "Social Fascism" held that all political parties, with the exception of the Communist Party, were fascist. This idea was summed up in Stalin's notorious phrase

"objectively, Social Democracy and Fascism are not antipodes, but twins".

Soviet foreign policy

"Everywhere we issue the call for a world workers' revolutionÉ Russia will become mighty and abundant if she abandons all dejection and all phrasemaking, if, with clenched teeth, she musters all her forces and strains every nerve and muscle, if she realises that salvation lies only along the road of world socialist revolution upon which we have set out."

Lenin. (LCW, Vol. 27, pp. 160-1.)

"Howard: Does this statement of yours mean that the Soviet Union has to any

degree abandoned its plans and intentions to bring about a world revolution?

Stalin: We never had any such plans or intentions.

Howard: You appreciate, no doubt Mr Stalin, that much of the world has long entertained a different impression?

Stalin: This is the product of misunderstanding.

Howard: A tragic misunderstanding?

Stalin: No, comic. Or perhaps tragic-comicÉ"

Roy Howard and Stalin. (Roy Howard-Stalin interview, March/April, Communist International, 1936.)

"US rightwing forces and propaganda

portray our interest in Latin America as an intention to engineer a series of socialist revolutions there. Nonsense! The way we have behaved for decades proves that we don't plan anything of the kind."

Mikhail Gorbachov. (Mikhail Gorbachov, *Perestroika - New Thinking for Our Country and the World*, pp. 187-8.)

Foreign policy is the continuation of domestic policy. When the Bolsheviks came to power their whole perspective was based upon the world revolution. The key issue was to hold out for as long

as possible, while promoting the socialist revolution abroad. Immediately the Soviet government issued a decree for peace without annexations. This appeal, in the words of Lenin, "must be addressed both to the governments and to the peoples. We cannot ignore the governments, for that would delay the possibility of concluding peace, and the people's government dare not do that". (LCW, Vol. 26, p. 252.) And he added: "Nor must our proposal for an armistice have the form of an ultimatum, for we shall not give our enemies an opportunity of concealing the whole truth from the peoples, using our irreconciliability as a pretext." (LCW, Vol. 29, p. 256.)

As a consequence, the Russian Revolution sent a wave of revolutionary fervour through the ranks of the working class throughout the world. To the war-weary, disillusioned and embittered masses, it came as a message of hope, of inspiration and courage, it showed the way out of the bloody chaos into which capitalism had plunged society.

However, Soviet Russia was surrounded by hostile powers, and was forced into a humiliating peace with German imperialism at Brest-Litovsk. Soon afterwards, the Soviet republic was faced with civil war and foreign intervention sent to crush her. However, by November 1918, revolution had

broken out in Germany. The Soviet government had received the message: "Greetings of peace and freedom to all. Berlin and the surrounding districts are in the hands of the Council of Workers' and Soldiers' Deputies" As soon as the news of the German Revolution reached Russia there were spontaneous demonstrations, which were described by Karl Radek: "From every corner of the city demonstrations were marching towards the Moscow Soviet" Tens of thousands of workers burst into wild cheering. Never have I seen anything like it again. Until late evening workers and Red Army soldiers were filling past. The world revolution had come." (Karl Radek, *The German Revolution and the*

Debate on Soviet Power, p. 35.)

Lenin wrote to Trotsky and Sverdlov that "the international revolution has come so close in one week that it has to be reckoned with as an event of the next few daysÉ We are all ready to die to help the German workers advance the revolution which has begun in Germany. In conclusion: (1) Ten times more effort to secure grain (clean out all stocks for ourselves and for the German workers). (2) Ten times more enrolments for the army. We must have by the spring an army of three million to help the international workers' revolution". (LCW, Vol. 28, pp. 364-5.) The breakdown of imperialism and

capitalism was signalled by revolutions in Germany, Austria, Hungary, revolutionary situations in Italy, France and even in Britain. Unfortunately the German Revolution was derailed by the Social Democratic leaders who conspired with the Junkers and capitalists to destroy the revolution, and handed back power from the workers to the capitalists. This was to result in a series of bloody defeats for the German workers and the murder of its two finest representatives, Rosa Luxemburg and Karl Liebknecht. A Soviet Republic was declared in Bavaria and in Hungary, but was defeated by the counter-revolution. Social Democracy saved capitalism. The powerful trade union and socialist

bureaucracies placed themselves at the head of the upsurge of the masses to divert it into harmless channels.

But precisely because of the breakdown of international socialism in the Second International, which had betrayed Marxism, was the new Third Communist International formed in March 1919, in Moscow, made up of groups which supported the Bolshevik Revolution. Its declared aims and objectives were the overthrow of world capitalism and the construction of a world chain of united Soviet Socialist Republics to join up with the USSR; which itself was not conceived as an independent entity but merely as the base for the world

revolution. Its fate would be determined and was bound up with the fate of the world revolution. The revolutionary wave that swept across Europe, through Austria to Italy, France and Britain, gave rise to great expectations of the workers coming to power elsewhere. The spectre of revolution hung all over Europe. The memoirs and writings of nearly all the capitalist politicians of that time bear witness to the despair, and the lack of confidence of the bourgeoisie in the face of developing revolution. In Italy, by 1920, the workers had seized the factories. Instead of leading the workers to the conquest of power, the Socialist Party bade them cease the "unconstitutional" procedure. So it was

throughout Europe.

The failure of the revolution outside of Russia was primarily due to the betrayals of the old leaders and also the weakness of the Communist Parties and groups that existed. Only in 1920, after the formation of the Third International, did mass Communist Parties emerge in Germany, France, Italy and Czechoslovakia, out of the splits and turmoil within the traditional mass organisations. Yet, compared to the Russians, these parties were very young and inexperienced. This led to tragic mistakes in the period 1920-23. Many of these newly formed parties suffered from ultra-leftism and sectarianism. In

1920 Lenin was forced to take issue with these "childish" illnesses at the Second Congress of the Comintern, and also wrote a work on this question entitled *"Left Wing" Communism, an Infantile Disorder*.

The resolutions of the first four Congresses of the Communist International forged in the years 1919-22 are a worked out set of strategy and tactics with which to guide the communist movement. The success of the world revolution seemed to be assured by the development of events. Everything was in place for the impending revolutionary wave. However, the correct positions of Lenin

were undone by Zinoviev and Stalin. Their bureaucratic policies had a particularly disastrous effect in Germany, where the Communist Party leadership was disoriented by the assassination of Rosa Luxemburg and Karl Liebknecht in 1919. First Paul Levy took charge. Levy displayed opportunist leanings which were bitterly criticised by the Party's ultra-left wing (Ruth Fischer and Arkady Maslow). Lenin and Trotsky were also critical of Levy, but defended him against the "Lefts". They never had the policy of bureaucratically removing leaders, even when they made mistakes. Lenin once warned Bukharin that "if you want obedience, you will get obedient fools". They preferred to

educate the membership through patient explanation, discussion and friendly criticism.

When, against Lenin's advice, the "Lefts" finally removed Levy, and the latter moved to the right, Lenin commented: "Well, he lost his head. But he had a head to lose." His scepticism of the new "left" leadership was soon shown to be correct. In March 1921, under Fischer and Maslow, the inexperienced German Communist Party embarked on an ill-prepared insurrection with no mass support, which culminated in a heavy defeat for the Communists. The so-called revolutionary offensive of the "March Action" led to the loss of

200,000 members and the isolation of the Party. As a result of this debacle, Lenin and Trotsky had to open up a sharp struggle with the ultra-lefts who defended this adventure, for such actions, if they were allowed to continue, would have wrecked the communist movement. In place of impatience and adventurism, the Communists needed to "patiently explain", and win the majority of the working class to its side. Pursuing his usual methods, Zinoviev had Fischer and Maslow removed and replaced by the "Rights", Brandler and Thalheimer. Instead of attempting to re-educate both the party and the leadership in the course of common action and discussion, these

Zinovievite methods of manoeuvres and the use of the apparatus to "solve" inner party disputes had the effect of demoralising sections of the Party and disorienting the leadership.

German Revolution 1923

The world war had not solved any of the problems of world capitalism. In fact it had aggravated them. Capitalism had broken at its weakest link. The attempts to destroy the young Soviet Republic by the wars of intervention had completely failed. German capitalism, the mightiest in Europe, found itself stripped of its assets and resources, part of its territory, burdened with staggering reparations

payments, and generally placed in an impossible position. British and French imperialists, the "victors" in the war, were in a fundamentally not much better position. Encouraged by the Russian Revolution, the colonial and semi-colonial masses were stirring and preparing to revolt. The masses at home were restless and uneasy and the economic position of Anglo-French imperialism had worsened considerably in comparison with that of Japanese and American capitalism. It was against this international background that the crisis broke out in Germany in 1923. Germany, with her high productive capacity, was crippled by the restrictions imposed by Versailles and had now become the

weakest link in the chain of world capitalism. The failure of Germany to pay the instalments on the reparations resulted in the French capitalists marching into the Ruhr. This helped to complete the collapse of the German economy, and the German bourgeoisie endeavoured to unload the burdens onto the shoulders of the working and middle classes. This produced an acute crisis and a growing revolutionary situation throughout the country.

The success of revolution does not depend exclusively upon the objective conditions which exist in a country at a given time. It also depends crucially on the existence of what Marxists call the

subjective factor - a mass revolutionary party with a clear-sighted and determined leadership. Old Engels long ago explained that, at times, a single day can seem like 20 years, whereas at other times, the history of 20 years can be summed up in 24 hours. That is to say, it can take decades for a revolutionary situation to develop, but the opportunity can be lost in a few days, unless the revolutionary leadership is prepared to take advantage of the moment. If they fail, the revolutionary opportunity may take decades to return. There are good reasons for this, which are evident for anyone who thinks about them for a moment. How does it come about that a tiny handful of exploiters can impose its

rule over millions of men and women? The capitalist system does not usually have to resort to violence to maintain itself (although it will use the most brutal means if necessary). The secret consists in the tremendous force of habit and routine which predominates in "normal" periods. The masses become habituated to the life of slavery and submission to their "betters" from the moment they become conscious. This "normality" is sanctioned by religion, morality, law and custom, and is not questioned by the overwhelming majority, who regard it as something eternal and natural. Only in certain critical moments, when great events shake the masses out of their torpor, do

they begin to free themselves from the dead hand of custom and begin to seek a way out along new and untried paths. Such periods are exceptional by their very nature.

For this reason, it is necessary to prepare the revolutionary party in advance. It is not possible to improvise it on the spur of the moment. This, in essence, is the message of Trotsky's book *Lessons of October*, written in 1924, with the aim of acquainting the cadres of the young Communist Parties, especially the German party, with the real experience of Bolshevism in 1917. The Russian Revolution was not an exception. True, like every revolution, it

had certain concrete peculiarities. True, it took place in a backward country, very unlike industrialised Germany or Britain. But there are many features that are common to all revolutions, and this means that parallels can be drawn and lessons learned. If the Russian Revolution demonstrates the correctness of Bolshevism positively, the German events of 1923 demonstrate the same thing, only negatively. In both cases the leadership played the decisive role. But whereas the leadership of Lenin and Trotsky led the Russian workers to victory, the German CP leaders, acting on advice from Stalin and Zinoviev, led the revolution to defeat.

In 1923, the collapse of the Mark and the seizure of the Rhineland by the armies of French imperialism gave rise to a revolutionary situation in Germany. Had Rosa Luxemburg and Karl Liebknecht not been murdered in 1919, there is little doubt that they would have provided the necessary leadership to ensure the victory of the working class. This assertion may seem paradoxical, given the fact that Rosa Luxemburg always insisted on the central role of the spontaneous self-movement of the proletariat in the revolution. In reality, there is no contradiction. Even the stormiest mass movement requires organisation and leadership in order to overcome the power of the bourgeois

state and transform society. The events of 1923 are the clearest proof of this. In the absence of Luxemburg and Liebknecht, there was a crisis of leadership in the German party. The subsequent chopping and changing, in which the Communist International under Zinoviev's inspiration played a most harmful role, effectively beheaded the party. The policy of removing leaders who were out of favour with Moscow set a very bad precedent, which was later used to Stalinise the Communist International and, ultimately, destroy it. It was entirely alien to the methods of Bolshevism. The workers had no possibility of learning by experience, of debating the issues, and deciding for

themselves which leaders were right and which wrong. This process is necessarily slow. It takes years and decades to develop cadres and allow a genuine revolutionary leadership to emerge. But there is no other way. This was just how the Bolshevik Party developed over a long preparatory period before 1917. They also made all kinds of mistakes. But through mistakes - provided they are honestly admitted and evaluated - one learns and develops. By bureaucratic manoeuvres and the attempt to establish the infallibility of the leadership, it will not be possible to build a genuine revolutionary party even in a thousand years.

By these means, Zinoviev and his supporters completely undermined the German leadership. The result was that, when the revolutionary wave broke in 1923, they were disoriented. Brandler went to Moscow to seek advise on what to do. Here accident played a role. Both Lenin and Trotsky were ill, and unable to see him. He was met instead by Stalin and Zinoviev, who gave him completely wrong advice. Repeating his error of October 1917, when he and Kamenev opposed the insurrection, Zinoviev expressed his open scepticism about revolutionary prospects in Germany. As always, the verbal radicalism of people with bureaucratic tendencies is only the reverse side of their innate conservatism

and distrust of the masses. Zinoviev urged caution, and, in effect, advised the Germans to do nothing. Stalin was even more crudely opportunist. He differed from Zinoviev only in that he was not even interested in the problems of the German Revolution, which was only a distraction from his manoeuvres in the apparatus. Narrow minded and parochial, he had a deep-seated contempt for the workers of Western Europe, who he believed would never make a revolution. With his organic opportunism, Stalin urged the German party not to take any action. His advice to the German leaders was astonishing - "Let the fascists try first!"

The leadership of the International and the German party failed to stand up to the test and take advantage of the opportunity. Success in Germany would inevitably have led to victory throughout Europe. But as in Russia in 1917, so in Germany of 1923, sections of the leadership vacillated. Brandler and the German leadership were in effect restrained by Stalin, Radek and Zinoviev. They dismissed Trotsky's proposal for a schedule for an insurrection and blundered into a belated and botched attempt to take power that turned into a fiasco. Because of this, the opportunity was allowed to slip, and the German Revolution was aborted. Alarmed and scandalised, Trotsky wrote

The Lessons of October in an attempt to get the leaders of the Communist Parties to draw the necessary conclusions from the German events. But the Stalin-Zinoviev-Kamenev clique, which, behind the scenes, was jockeying for power, could not accept an honest discussion of the German events which would damage its prestige. Trotsky's work was taken as the signal for a furious onslaught against so-called Trotskyism, and its central message was buried under a mountain of slander and abuse. The methods of Lenin were already being substituted for the alien methods of a commanding bureaucracy which demands uncritical acceptance of its "all-seeing" leadership and Papal

infallibility.

'Socialism in one country'

The defeat reinforced the bureaucratic reaction in Russia. With Lenin dying, Stalin, Zinoviev and Kamenev intrigued against Trotsky. These moves simply served to reinforce Stalin's position and strengthen the grip of the bureaucracy. Never particularly interested in the broader international perspectives, Stalin now became increasingly sceptical about the prospects of international revolution. This began to manifest itself in the Soviet Union with the theory of "socialism in one country", the shift to the right in economic policy

and the pandering to the kulaks and NEPmen. This "theory" sprang directly from the defeat which the revolution had suffered in Germany. It indicated a turning away from the principles of revolutionary internationalism on which the Russian Revolution had been based and on which the Third International was founded.

At that time Stalin had not the slightest notion of where the theory of socialism in one country would lead the Soviet Union and the Comintern. The transition from the policy of world revolution to that of socialism in one country expressed a sharp turn to the right in the Comintern. The young and immature

leaders of the International were quickly brought under the control of the Stalin clique in the Kremlin which cynically used them as agents of its foreign policy. Those who showed resistance were purged.

In 1928, Leon Trotsky predicted that the acceptance by the Communist International of the theory of socialism in one country could mark the beginning of a process which would inevitably culminate in the national-reformist degeneration of every Communist Party in the world - whether in or out of power. In a brilliant prediction, Trotsky warned the leaders of the Communist Parties: "If it is at all possible to realise

socialism in one country, then one can believe in that theory not only after but also before the conquest of power. If socialism can be realised within the national boundaries of backward Russia, then there is all the more reason to believe that it can be realised in advanced Germany. Tomorrow the leaders of the Communist Party of Germany will undertake to propound the theory. The draft programme empowers them to do so. The day after tomorrow the French party will have its turn. It will be the beginning of the degeneration of the Comintern along the lines of social patriotism." (Trotsky, *The Third International After Lenin*, p. 73.)

Foreign policy became dominated by Stalin, who had lost complete confidence in the working class internationally, and was desperate to find allies to "defend the Soviet Union from attack". The Comintern was already being reduced to the role of a border guard and the passive tool of Moscow's foreign policy. In regard to the Chinese Revolution during 1925-27, where millions were being stirred into action in Asia, the Comintern, instead of relying on the workers and peasants to carry through the revolution, as was the Leninist policy in Russia, preferred to subordinate itself to the Chinese capitalists and generals around Chiang Kai-shek in the nationalist Kuomintang

(2). Stalin described the Kuomintang as a revolutionary "bloc of four classes". In early 1926, it was admitted as a member of the Communist International. Chiang was elected, against the solitary vote of Trotsky, an honorary member of the Executive Committee of the Comintern. The Left Opposition warned about the consequences of this Menshevik policy. The Chinese Communist Party was the sole workers' party and had a dominating influence over the working class; the peasantry was looking towards the example of Russia to show them the way out of their centuries-long suffering at the hands of the landlords, through the seizure of the land.

Under Stalin's orders, and for fear of alienating the capitalists and landlords of the Kuomintang, the Chinese Communists were prevented from putting themselves at the head of the agrarian revolution. The Comintern stubbornly refused to take the road of working class independence which Lenin had insisted on as a prerequisite for communist policy in relation to the revolutionary-democratic and anti-imperialist revolutions in the East. On the 20th March 1926, the militarist leadership of the Kuomintang under Chiang Kai-shek staged a counter-revolutionary coup. Chiang then proceeded to arrest leading Communists and trade unionists. In order to shield

Stalin's authority, all news of this right wing coup was suppressed in the Soviet Union. Inprecor dismissed the coup reports as "an invention of the imperialists". Chiang staged a further coup in the revolutionary stronghold of Shanghai, carrying through a massacre of Communist workers. Only when the defeat of the revolution was complete did Stalin order a bloody insurrection in Canton - a pure adventure - that beheaded the proletarian vanguard. Stalin drew the conclusion that "Chiang Kai-shek's coup is one of those zigzags in the course of the Chinese Revolution, one that was needed in order to cleanse the revolution of dross and to impel it forwardÉ" (Stalin, *Collected Works*,

Vol. 9, p. 265.)

Meanwhile, a similar opportunist policy was pursued in Britain where the masses were undergoing a process of intense radicalisation. As a means of combating intervention against the Soviet Union the Russian trade unions entered into an agreement with the General Council of the Trade Union Congress (TUC) to cooperate through an Anglo-Russian Committee. The tendency towards revolutionary developments in Britain is seen in the fact that a million members, a quarter of the trade union membership, were organised in the Minority Movement. Trotsky, analysing the situation in Britain, had predicted the

outbreak of a general strike. The task of the Communist Party and the Communist International should have been to prepare the workers for the inevitability of a betrayal on the part of the trade union leadership. Instead, they sowed illusions in the minds of the workers, especially as the British trade union bureaucrats had covered themselves with the prestige of the Anglo-Russian Committee. After the betrayal of the 1926 General Strike by the trade union bureaucracy, Trotsky demanded that the Russian trade unions break off relations with the British TUC. This Stalin and the Comintern refused to do. After using the Anglo-Russian Committee for as long as they needed, more than a year after the

General Strike, the British trade union leadership took the initiative to break off relations. The Comintern let out a howl that they had been betrayed. The young British Communist Party should have increased its membership and influence by leaps and bounds as a result of these great events. Unfortunately, following the line of the International, it trailed behind the 'lefts' on the TUC General Council, who in turn, trailed behind the likes of right wingers, Citrine and Thomas. It was disoriented by the opportunist policy of the International, and proved unable to take advantage of the opportunities that had opened up. Their outlook was summed up by J. T. Murphy, a Central Committee member,

who wrote on the eve of the strike: "Our party does not hold the leading positions in the trade unions. It is not conducting the negotiations with the employers and the government. *It can only advise and place its forces at the service of the workers led by others*" To entertain any exaggerated views as to the revolutionary possibilities of this crisis and visions of new leadership 'arising spontaneously in the struggle', etc., is fantastic..." (Quoted in *The History of Communism in Britain*, by Brian Pearce and Michael Woodhouse, p. 99. London, 1995.)

These defeats for the Communist International in China and Britain, due

directly to the policy of Stalin and the bureaucracy, paradoxically, increased the power of the bureaucracy within the Soviet Union. The Left Opposition led by Trotsky, which had correctly analysed and forecast these developments, was now expelled from the Communist Party and from the International.

The 'Third Period'

Stalin had burned his fingers badly in his attempts to lean on the capitalist elements in China and to conciliate the trade union bureaucracy in Britain. Now he turned the Comintern sharply in the opposite direction. In violation of its statutes the International had not held a

conference for four years. A new Congress was called in 1928 which introduced officially the programme of socialism in one country into the programme of the Communist International. It also proclaimed the end of capitalist stability and the beginning of what was termed the "Third Period". In contrast to the period of revolutionary upheavals following 1917 (the First Period), and the period of relative capitalist stability after 1923 (the Second Period), this so-called Third Period was supposed to usher in the final collapse of world capitalism. At the same time Social Democracy, according to the once famous (but now buried) theory of Stalin, was supposed

to have transformed itself into "Social Fascism". No agreement was now possible between the Communists and the "social fascists" who constituted the main danger confronting the working class.

It was just at this period that the unprecedented slump of 1929-33 affected the capitalist world. In particular, it hit Germany especially hard. Living standards collapsed. The German workers faced degradation and misery, while the middle classes were also ruined. Germany's figures of unemployment rose steadily. At the peak, it reached six millions. The middle class, having failed to receive anything

from the revolution of 1918, and disappointed with the failure of the Communists in 1923 to take power, now in anguish and despair began to look for a solution to their problems in a different direction. Subsidised and financed by the capitalists, the Nazis began to secure a mass basis in Germany. In the elections of September 1930, they secured nearly six and a half million votes. The policies of Stalin had a disastrous effect in the Communist International. The lurch to the left in the USSR, expressed in the policy of forced collectivisation and the madness of "Five-Year Plans in four years", found its reflection internationally in the ultra-left theory of the "Third Period" and "Social

Fascism". This had the most terrible consequences in Germany, where it was directly responsible for splitting the working class and allowing Hitler to come to power without a fight.

The German working class was one of the strongest in the world, with powerful labour organisations and hundreds of thousands of workers organised in communist and socialist militias. The German Communist Party, together with the Social Democracy constituted the mightiest force in Germany. At the time of Hitler's first big electoral advance in 1930, when the Nazis got six and a half million votes, the Communist Party had won four and a half million, and the

Social Democracy eight and a half million - taken together, more than twice the Nazi's. The combined strength of the Communist and Social Democratic forces were more than sufficient to defeat the fascists, had they been united around a serious programme of struggle. Yet in 1933 Hitler could boast that he had come to power "without breaking a window pane".

The reason for this monstrous state of affairs was the paralysis of the German proletariat as a result of the policies of both the Social Democratic and Stalinist leaderships. In 1931, the Stalinists went so far as to form an unofficial united front with the Nazis to bring down the

Social Democratic government in Prussia (the so-called Red Referendum). At one point, they issued the slogan "Beat the little Scheidemanns in the school yard" - an invitation to the children of Communists to beat up those of the Social Democrats. Jan Valtin, at that time a Communist Party activist in Germany, recalled his experience of this policy:

"It was a weird alliance, never officially proclaimed or recognised by either the Red or the Brown bureaucracy, but a grim fact all the same. Many of the simple Party members resisted stubbornly; too disciplined to denounce openly the Central Committee, they

embarked on a silent campaign of passive resistance, if not sabotage. However, the most active and loyal communist elements - I among them - went ahead energetically to translate this latest *Parteibefehl* [Party order] into action. A temporary truce and a combining of forces were agreed on by the followers of Stalin and Hitler whenever they saw an opportunity to raid and break up meetings and demonstrations of the democratic front. During 1931 alone, I participated in dozens of such terroristic enterprises in concert with the rowdiest Nazi elements. I and my comrades simply followed Party orders. I shall describe a few of such enterprises to characterise this

Dimitrov-Hitler alliance and to illustrate what was going on all over Germany at that time.

"In the spring of 1931, the socialist Transport Workers' Union had called a conference of ship and dock delegates of all the main ports of western Germany. The conference took place in the House of Labour in Bremen. It was public and the workers were invited to listen to the proceedings. The Communist Party sent a courier to the headquarters of the Nazi Party, with a request for co-operation in the blasting of the trade union conference. The Hitlerites agreed, as they always did in such cases. When the conference opened, the galleries were

packed with two to three hundred Communists and Nazis. I was in charge of operations for the Communist Party and a storm troop leader named Walter Tidow - for the Nazis. In less than two minutes, we had agreed on a plan of action. As soon as the conference of the Social Democrats was well under way, I got up and launched a harangue from the gallery. In another part of the hall Tidow did the same. The trade union delegates were at first speechless. Then the chairman gave the order to eject the two troublemakers, me and Tidow, from the building. We sat quietly, derisively watching two squads of husky trade unionists advance toward us with the intention of throwing us out. We refused

to budge. As soon as the first trade union delegate touched one of us. Our followers rose and bedlam started. The furniture was smashed, the participants beaten, the hall turned into a shambles. We gained the street and scattered before ambulances and the *Rollkommandos* of the police arrived. The next day, both the Nazi and our own Party press brought out front page accounts of how 'socialist' workers, incensed over the 'treachery' of their own corrupt leaders had given them a thorough 'proletarian rub-down'." (J. Valtin, *Out of the Night*, pp. 252-3.)

By these means, the mighty German working class was handed over, bound hand and foot, to the Nazis. The workers'

organisations were destroyed. Communists and Social Democrats alike ended up in Hitler's concentration camps. And the USSR was placed in terrible danger. This was the balance sheet of the policy of "Social Fascism".

Despite their expulsion from the Communist International, Trotsky and his followers still considered themselves as part of it, and insistently demanded that they be allowed to return to the ranks. At the same time they subjected the suicidal theory which had now been adopted by the Comintern to sharp criticism. In place of it they demanded a return to the realistic Leninist policy of the United Front as a means of winning the masses

in action and through their own experience, to communism. With the victory of Hitler at the polls Trotsky sounded the alarm. In a pamphlet entitled *The Turn in the Communist International and the Situation in Germany*, he issued a signal for a campaign, which was carried on for three years by the International Left Opposition of the Comintern, as the Trotskyists looked on themselves. In Germany, France, USA, Britain, in far away South Africa, and in all countries where they had groups, the Trotskyists conducted a campaign demanding that the German Communist Party set into motion a campaign for a united front with the Social Democrats to prevent

Hitler from coming to power.

The victory of Hitler

At the direct instructions of Stalin and the Comintern, the German Communist Party denounced this policy as a counter-revolutionary "social fascist" one. They insistently fought against Social Democracy as the main enemy of the working class and argued that there was no difference between democracy and fascism. In September 1930, the *Rote Fahne*, organ of the German Communist Party proclaimed: "Last night was Herr Hitler's greatest day, but the so-called election victory of the Nazis is the beginning of the end." Right

throughout these years the Comintern continued its fatal course. As late as May 1932, the British *Daily Worker* could proudly indict the Trotskyists for their policy in Germany thus: "It is significant that Trotsky has come out in defence of a united front between the Communist and Social Democratic Parties against Fascism. No more disruptive and counter-revolutionary class lead could possibly have been given at the time like the present." Meanwhile Trotsky had written four pamphlets and dozens of articles and manifestos, everywhere the international Trotskyists explored every avenue to exert pressure on the Comintern to change its policy. In vain. In January

1933 Hitler was able to take power without any organised opposition whatsoever in a country with the most highly organised working class and with the strongest Communist Party outside of Russia. For the first time in history, reaction was permitted to conquer power without any resistance on the part of the working class.

By this betrayal, the German Communist Party was doomed forever. But the Comintern was far from recognising the nature of the catastrophe. Instead it solemnly endorsed the policy of the German Communist Party and of the International as having been perfectly correct. Rather than recognise the

episode as a massive defeat for the German workers, the Comintern declared it a victory, with the slogan "After Hitler, Our Turn!" This provoked not a ripple of protest or opposition within the ranks of the Communist Parties internationally, so politically degenerate had they become. The only conclusion that could be drawn, as with the Second International in 1914, was that the Third (Communist) International was politically dead and could no longer be considered a vehicle for socialist revolution. In March 1933, Trotsky changed the perspectives for the reform of the Communist Party and the Soviet Union. Rather than fight for the reform of the German Communist Party, he now

called for a new party to be built in Germany to replace the Communist Party. In July, Trotsky wrote:

"With the further impotence of the Comintern, with the paralysis of the international proletarian vanguard, and, under those conditions, with the inevitable growth of world fascism, the victory of the counter-revolution in the USSR would be inevitable. Naturally, the Bolshevik-Leninists will continue their work in the USSR regardless of the conditions. But the workers' state can be saved only by the intervention of the world revolutionary movement. In all of human history, the objective conditions for this regeneration and redevelopment

have never been so favourable as now. What is lacking is the revolutionary party. The Stalinist clique can rule only by destroying the party, in the USSR as in the rest of the world. Escape from this vicious circle is possible only by breaking with the Stalinist bureaucracy. It is necessary to build in a fresh place, under a clean banner." (Trotsky, *Writings 1933-34*, p. 21.)

An organisation which cannot learn from the lessons of history is doomed. As a force for world socialism, the Communist International was dead. The International Left Opposition broke away and proclaimed the necessity of a new International. But what was

apparent to the vanguard who had abandoned the attempt to reform the Comintern, could not be apparent to the broad masses. Only great events could teach them. On the basis of these events Trotsky came to the conclusion that new revolutionary parties and a new Fourth International had to be built. This was a task to which he dedicated himself until his assassination by a Stalinist agent in August 1940.

In the Soviet Union, it became clear that the Stalinist bureaucracy had become increasingly independent from the working class. The last vestiges of workers' control had been eliminated. Stalin had boasted that the "cadres could

only be removed by civil war". Quantity had changed into quality. This led Trotsky to the conclusion that the Stalinist counter-revolution had reached a new turning-point and that a new supplementary revolution - a political revolution - was needed to remove the bureaucracy and re-establish a regime of genuine workers' democracy.

"After the experiences of the last few years, it would be childish to suppose that the Stalinist bureaucracy can be removed by means of a party or Soviet congress," stated Trotsky. "In reality, the last congress of the Bolshevik Party took place at the beginning of 1923, the 12th Party Congress. All subsequent

congresses were bureaucratic parades. Today, even such congresses have been discarded. No normal 'constitutional' ways remain to remove the ruling clique. The bureaucracy can be compelled to yield power into the hands of the proletarian vanguard only by *force*." (Trotsky, *Writings 1933-34*, pp. 117-8.) He concluded: "What will be involved is not an armed insurrection against the dictatorship of the proletariat but the removal of a malignant growth upon it." The previous position of reform of the party and Soviet state was now obsolete. This analysis was soon confirmed by the bloody experience of the Purges.

The Communist International continued

to carry on this false policy right up to 1934. When the fascists in France, encouraged by the successes of fascism in Austria and Germany, conducted armed demonstrations for the overthrow of the Liberal government and parliament, the Communist Party issued orders to demonstrate with them. But now the full danger which Hitler represented to the Soviet Union was apparent to everyone. Stalin and the bureaucracy became panic-stricken. Contemptuous and cynical of the capacity of the Comintern as an instrument of world revolution, Stalin more openly converted it into an instrument of Russian foreign policy. An organisation in class society which

ceases to represent the working class inevitably falls under the pressure and influence of the bourgeoisie. Stalin, in his search for allies, now turned to the bourgeoisie of Britain and France. The Popular Front policy was initiated and endorsed at the last Congress of the International held in 1935. This policy of coalition with the Liberal capitalists is one against which Lenin had struggled all his life. It represented a new stage in the degeneration of the Comintern and the first workers' state.

Popular Frontism

Although the 1930s saw the consolidation of Stalin's personal

power, the bureaucratic regime was not a stable phenomenon. Bonapartism by its very nature is a regime of social crisis. Stalin became obsessed with internal security and therefore attempted to establish "normal" diplomatic relations with the capitalist powers. After 1933, Stalin hoped to establish closer relations with Hitler's Germany. "Of course, we are far from being enthusiastic about the fascist regime in Germany," stated Stalin. "But fascism is not the issue here, if only for the reason that fascism in Italy, for example, has not prevented the USSR from establishing the best relations with that country." But after being rebuffed by Hitler, and alarmed by the rapid rearmament of Germany that

was taking place, Stalin began searching for other allies. He quickly joined the League of Nations, which had been previously denounced as a "thieves' kitchen" by Lenin. In order to counter the military threat, the Comintern was called upon to promote "collective security". This was part and parcel of a sharp change in policy announced at the Seventh Congress of the Comintern in 1935: the policy of Popular Frontism. In 1943, as a further gesture to the imperialist allies, Stalin dissolved the Comintern altogether.

The policy of Popular Frontism was based upon alliances between workers' parties and bourgeois parties. This was

entirely alien to the method of Lenin and Marx, who always insisted on a policy of class independence. The notion that it is possible to arrive at an agreement between the working class and the so-called democratic wing of the bourgeoisie is false to the core. This type of "unity" is like the unity between horse and rider! It overlooks the class conflict between wage labour and capital. The policy of the capitalists, whether the Liberal or Conservative variety, is always dictated by their economic interests. In times of crisis, the bourgeois may try to lean on the labour leaders in order to keep the workers under control, only to kick them in the teeth once they have served their

purpose.

The Popular Front was merely the resurrection of the old "Lib-Lab" policy of class collaboration, which was implacably criticised by Marx, and still more so by Lenin, who all his life fought against illusions in the liberal bourgeoisie. While, under certain conditions, it might be permissible to enter into episodic blocs with the liberals for practical purposes, all history shows that programmatic blocs with the liberals end in disaster. In the writings of Marx and Engels, and especially those of Lenin, the liberal bourgeoisie was always portrayed as a cowardly and reactionary class,

incapable of carrying through the tasks of the bourgeois democratic revolution.

The counter-revolutionary nature of the bourgeoisie was already understood and explained by Marx and Engels in 1848-49, in writings such as *Revolution and counter-revolution in Germany*. In 1904, in his book *Results and Prospects* Trotsky pointed out that the bourgeoisie in backward, semi-feudal, countries like Tsarist Russia had arrived on the stage of history too late to carry out its historical mission. Tied to the banks on the one hand, and linked by a thousand threads to the landowning class and imperialism on the other, the bourgeoisie was organically incapable of fighting

against the monarchy and feudalism. The capitalists invested in land, and the landowners in industry. They formed a reactionary bloc against progress. No matter what differences might exist between them (and the Russian liberals did clash with the autocracy frequently, up to 1905-06), they would always close ranks when threatened with a movement of the revolutionary workers and peasants. The whole thrust of Lenin's argument was that democracy in Russia would not be brought about by the liberals, but only by the revolutionary unity of the proletariat and poor peasants against the liberals, as well as the autocracy. This was shown to be correct in 1905-06, when the liberals sold out

the revolution and did a deal with the autocracy at the expense of the workers and peasants.

Even in the period when Lenin did not believe that there could be a socialist revolution in Russia before Western Europe, he was always implacably hostile to deals or alliances with the bourgeois (except for episodic blocs on secondary issues). The idea of any kind of programmatic bloc with the liberals was an anathema to him. He knew that they would inevitably betray the struggle. A fact which has been amply borne out, not only by the experience of the Russian Revolution, but by the role of the national bourgeoisie in the

colonial revolution in the entire period following the second world war. The idea of entry into a coalition government with the liberal bourgeoisie was not the policy of Lenin, but the Mensheviks. Opposition to this policy constituted the central point of difference between Bolshevism and Menshevism from 1904 onwards. It reached its clearest expression in the Provisional Government of 1917.

This Provisional Government was a classical example of a popular front, in which the ruling class, through its "left" representatives (Kerensky) leans on the leaders of the workers' organisations in a coalition, in order to head off a

revolution. Behind the facade of the popular front, the reaction regroups its forces, and prepares a counter-stroke, once the masses have been demoralised by the experience of Popular Frontism, which, having left the basic system of exploitation untouched, passes from reforms to counter-reforms. Lenin subjected the Menshevik and SR leaders to a withering criticism for entering the Provisional Government, demanding a break with the ten capitalist ministers and the formation of an independent workers' government based on the soviets. This was the basis upon which the October Revolution was prepared.

In essence, the policy now adopted by

the Comintern in 1935 was, to quote Trotsky, "a malicious caricature of Menshevism". The Popular Front governments formed in France and Spain allegedly to prevent the danger of fascism, had the opposite effect. Under conditions of extreme economic and social crisis, only the overthrow of landlordism and capitalism, and a radical transformation of society could show the way out. The alliance with the bourgeoisie (or, more correctly, with the shadow of the bourgeoisie) was a recipe for disaster. In every case, under the pressure of big business and the liberal allies, the living standards of the workers, peasants and middle class were cut. The promises of reform were

soon turned into their opposite, preparing the ground for reaction. The most terrible example was what happened in Spain.

The Spanish Revolution

In July 1936, the heroic proletariat of Spain rose up against the fascist coup of General Franco. In Catalonia and elsewhere the workers took power into their own hands. The state collapsed, as the bulk of the army officer caste went over to Franco. The Spanish workers made one attempt after another to take power. In Barcelona, the workers of the anarchist trade union CNT and the leftwing POUM stormed the barracks,

armed with nothing more than kitchen knives, clubs and old hunting rifles. They smashed the fascists and power was in the hands of the working class. This would have been possible throughout Spain, but for the policies of the leaders of the workers' organisations, who clung to their alliance with the bourgeois Republicans, in effect the shadow of the Spanish bourgeoisie.

Even the CP leaders had to admit that the revolutionary movement had already gone far beyond the limits of a bourgeois republic: "The destruction of the old ruling order, as José Díaz observed, had already been achieved; the revolution

had not limited itself to 'defending the republic established on 14 April and revived last 16 February' as the Communist Party had maintained at the start of the war. Communist militants in the front lines around Madrid, like Miguel Nuñez, an education militiaman, were well aware of the depth of the popular explosion.

" - It was a thorough-going revolution. The people were fighting for all those things which the reactionary forces of this country had so long denied them. Land and liberty, an end to exploitation, the overthrow of capitalism. The people were not fighting for a bourgeois democracy, let's be quite clear about

thatÉ" (Ronald Fraser, *Blood of Spain - An Oral History of the Spanish Civil War*, p. 324.)

Power is, in the last expression, armed bodies of men. Whoever controls these holds power. But in July 1936, the workers of Spain rose against the fascists in reply to Franco's military uprising. The old army was effectively destroyed and replaced by workers' militias. These were the only armed forces that existed in the territory of the Republic. The only thing that prevented the working class from taking power was the leadership of their own organisations. They had smashed the fascist reaction, but the leaders of all the

workers' parties - anarchists, socialists, communists, and even the POUM, entered the bourgeois popular front government and became the main stumbling block in the path of the revolution.

In one way or another they betrayed the heroic spontaneous reaction to the fascist uprising. They blocked the elementary class movement of the workers by collaborating with the rotten Republican bourgeois leaders, who by this time represented nobody but themselves. As a matter of fact, this was not an alliance with the bourgeoisie, but the shadow of the bourgeoisie. The great majority of the landlords and capitalists

supported Franco and had fled to the National zone. But the Republicans acted as a reactionary brake on the movement of the masses. They feared the workers and peasants much more than the fascists, to whom they were quite prepared to capitulate.

By this time most of the leaders of the parties of the Communist International had become agents of the foreign policy of the Russian bureaucracy. They unquestioningly carried out the instructions of Stalin. The latter was terrified that a successful socialist revolution in Spain, or in any other country of Western Europe, would undermine the power of the bureaucracy

and lead to its overthrow. The workers of Russia were enthusiastic about the revolution in Spain which stirred them more than any event since the usurpation of power by Stalin. In attempting to maintain their power through the Stalin regime the bureaucracy were compelled to launch the modern equivalent of the medieval witch-craft trials, to annihilate practically all the leaders of the revolution and the Old Bolsheviki, to murder hundreds of thousands of the rank and file of the Communist Party. This was due partly to the repercussions of the revolution in Spain. The victory of the Spanish Revolution would have sounded the death knell for the Moscow bureaucracy.

In addition to this, the bureaucrats were not concerned with revolutionary diplomacy, as under Lenin, but were guided by purely nationalist considerations. They wanted at that time to placate the capitalists of Britain and France, to gain an alliance against Germany. They did not wish to upset this by a revolutionary conflagration which would have spread to France and destroyed entirely the world political and social equilibrium. But by destroying the Spanish Revolution, they ensured the victory of Franco, and, in so doing, made the second world war inevitable. For their part, the so-called democracies of Britain and France did all in their power to help Franco, while

masquerading under the hypocritical banner of non-intervention. Stalin's counter-revolutionary policy in Spain did not persuade the British and French imperialists to become allies of the Soviet Union but, on the contrary, placed it in the gravest danger.

A rank and file Communist Party member is quoted as saying: "Fighting and dying, we sometimes thought: 'All this - and for what?' Was it to return to what we had known before? If that was the case then it was hardly worth fighting for. The shamefaced way of making the revolution demoralised people; they didn't understand. I think the Communist Party demonstrated the most correct

understanding of what the war was about" (Ibid., p. 328.)

The workers of Spain strove time and again for a period of seven years, from 1931 to 1937, to take power into their own hands, but at every stage found themselves blocked by their own organisations. The last opportunity was in May 1937. The Stalinists, acting as the shock troops of the counter-revolution, attempted to seize the telephone exchange in Barcelona which was under the control of the CNT. In reply to this betrayal, the anarchists and POUMist workers staged an insurrection in May 1937. This movement had the overwhelming support of the workers of

Barcelona, even the rank and file communists and socialists. For four days power was in the hands of the workers. But once again the POUM and the CNT refused to take power.

Despite the Stalinist propaganda, the POUM was not a Trotskyist organisation but contained elements who had once been Trotskyist such as Nin and Andrade. In the space of six weeks, it had grown rapidly from one thousand to 70,000 members, on the strength of its leftwing image and the radical-sounding declarations of its leaders. It had its own radio station and daily newspaper. But Trotsky warned that, without a correct policy, a class policy directed against

the bourgeois Republicans, all the gains of the POUM would turn to dust. This remarkable prediction was soon shown to be correct. At the decisive moment, they led the workers to defeat. Lacking a consistent revolutionary policy, the CNT and POUM leaders demanded that the workers abandon the struggle and return to work. They succeeded in this, but that did not save them, and was disastrous for the revolution. Within six weeks, the main leaders of the POUM were murdered in the dungeons of the GPU. The POUM was illegalised and the CNT disarmed. The road was now clear for the bourgeoisification of the armed forces and the reconstruction of the state under bourgeois leadership.

In March 1937 José Díaz, PCE general secretary, called for the elimination of those 'agents of fascism - Trotskyist disguised of POUMists' - a reflection of the accusations being made at the Moscow show trials. But the real force behind the purge in Spain was Stalin's GPU which was now present on all the leading bodies of the Spanish Communist Party. For example, the notorious Hungarian Stalinist Ernő Gerő, one of Stalin's agents always attended meetings of the leading body of the PSUC. The leaders of the Communist Party and the PSUC, however, actively participated in these activities. Pere Ardiaca, editor of the PSUC newspaper Treball, while denying the Party's

participation in the murder of Andreu Nin, admits that the Party supported the persecution of the POUM:

"Though we had nothing to do with the POUM's persecution, we regarded it with favour. Later, at the POUM trial, we were stupefied by the evidence given, but at the same time it never occurred to us to protest because we shared the prosecution's opinion" (Ibid., p. 390.) Ardiaca and his comrades were "stupefied" because they knew perfectly well that the accusations directed against the POUM militants were entirely false, as he admits: "I had been in the BOC [workers' and peasants' bloc, one of the main component parts of

the POUM] before joining the Communist Party, so I knew that its militants were honest and sincere in their revolutionary beliefs, even if those were different to ours" (Ibid., p. 390.) No wonder Ardiaca describes Nin's assassination as "a heavy legacy indeed". But nothing can change the fact that the Spanish and Catalan leaders at the very least were active accomplices of Stalin's GPU in Spain.

The liquidation of the revolution led inevitably to the disaster that Trotsky had predicted. The Stalinists backed the so-called government of victory of Negrin, the rightwing socialist, which in fact presided over the most terrible

defeats. That was inevitable once the bourgeois counter-revolution had triumphed behind the Republican lines. The working class was disillusioned and demoralised. In revolution even more than in war, morale is the key factor. In purely military terms, the revolution can never triumph against the professional army with trained officers and military experts. The sole factor which gives the masses the advantage is their revolutionary élan. Without this, the victory of reaction is inevitable. The precondition for victory in Spain was political - the confidence of the masses in the cause for which they were fighting.

This assertion can be proven by many historical examples. The victory of the Bolsheviks in Russia was due above all to political factors. Power was in the hands of the workers, who defended it ferociously. Likewise in the countryside the peasants fought for the land which they had won thanks to the October Revolution. Some years later in China, Mao Tse Tung waged a semi-revolutionary war against the Kuomintang. In the Chinese civil war Mao's forces were tiny when compared to the army of Chiang Kai-shek, armed by the USA. Basing himself on a simple revolutionary slogan - "land to the peasants" - Mao succeeded in winning over the rural masses. He even offered

plots of land to the soldiers of Chiang's army. Whole divisions came over to the Reds, and the forces of reaction simply melted away. A similar result was possible in Spain, but it would have required a genuinely revolutionary policy.

The Spanish Revolution constituted a deadly threat to Stalin and the bureaucracy. Here for the first time Moscow carried out a policy deliberately aimed at preventing revolution. Previously, in China and Germany, it was a question of mistakes. But this was different. A victorious revolution in Spain would have meant the end of Stalin's rule. The movement of

the Spanish workers aroused hope in the minds of the Russian workers that a new workers' state would be established at the other extreme of Europe. They were moved in a way not seen since the Revolution. This was dangerous for the bureaucracy, which responded by launching the Purge trials.

The Purge trials

"The First Five-Year Plan and the great rumblings in Germany which preceded Hitler's rise (1931-33) once again threatened the bureaucracy's domination," stated Trotsky. "Finally, can we doubt for an instant that if the Spanish Revolution had been victorious

and if the French workers had been able to develop their May-June offensive of 1936 to its conclusion, the Russian proletariat would have recovered its courage and its combativity and overthrown the Thermidorians with a minimum of effort?" (Trotsky, *Writings 1937-38*, pp. 39-40.)

The growing Soviet working class, enthused by the successes of the Five-Year Plan, began to sense again the dramatic effects of world revolution and to resist the bureaucratic encroachments. Stalin was terrified that a new revolutionary wave in the West would stir the revolutionary feelings of the Soviet masses. That was why the

Stalinist terror was unleashed to entrench the totalitarian state.

The Purge trials were organised as a result of panic at the effects of the Spanish Revolution on the Russian working class, and even in the Russian Communist Party. The spontaneous movement towards socialist revolution in Spain began to rekindle the flame of international revolution in the hearts of the Soviet working class. Fearing the success and spread of the Spanish Revolution, and looking to a deal with the Western "democracies", Stalin deliberately strangled the Spanish Revolution. This was not the case in either Germany in 1930-33 or China in

1925-27. It is true that Stalin's policies led to defeat in these cases also. But this was not the intention. On the contrary. Stalin wanted successes on the international stage at that time. But by 1936, the new ruling caste had been consolidated, and was anxious to defend its privileges against any real or perceived threat. The Spanish Revolution was seen as a very real threat by the leading clique. Stalin felt that a successful revolution would give rise to a new opposition within the Communist Party around those figures that still had direct links with the October Revolution. He therefore set out to eliminate such a threat by framing Old Bolsheviks on charges of counter-

revolution and having them shot.

These were the biggest frame-up trials in history. The initial excuse for the trials was the assassination of Sergei Kirov, the Leningrad Party boss, by a young Communist on the 1st December 1934. This was a provocation organised by Stalin himself. Evidently there were grumblings in the leading clique against Stalin at this time, and Kirov, a leading Stalinist, was seen as a possible replacement. After the Kirov assassination frame-up, a series of ghastly trials and confessions was staged. The fact that this assassination was the work of Stalin and had been prepared at a high level was exposed by

Khrushchev in his reports at the 20th and 22nd Congresses:

"The mass reprisals began after the assassination of Kirov. Great efforts are still needed to find out who really was to blame for this death. The deeper we study the materials connected with Kirov's death the more questions arise. Noteworthy is the fact that Kirov's killer had twice before been detained by Chekists (security men) near the Smolny and that arms had been found on him. But he was released both times on someone's instructions. And the next thing this man was in the Smolny, armed, in the corridor through which Kirov usually passed. And for some reason or other at

the moment of assassination Kirov's chief bodyguard was far behind him, although his instructions did not authorise him to be such a distance away from Kirov.

"Equally strange is the following fact: When Kirov's chief bodyguard was being escorted for questioning - and he was to be questioned by Stalin, Molotov and Voroshilov - the vehicle, as the driver said afterwards, was deliberately involved in an accident by those who were taking the man for interrogation. They said that he had died as a result of the accident, although he was in fact killed by those who were escorting him.

"In this way, the man who guarded Kirov was killed. Later, those who had killed him were shot. This was no accident, apparently, but a carefully planned crime. Who could have done this? A thorough inquiry is now being made into the circumstances of this complicated case." (*The Road to Communism - Report of the 22nd Congress of the Communist Party of the Soviet Union*, p. 111.)

The Moscow trials were described by Trotsky as a "one-sided civil war" against the working class vanguard. In August 1936, he stated that "the present purge draws between Bolshevism and Stalinism not simply a bloody line but a

whole river of blood. The annihilation of the entire old generation of Bolsheviks, an important part of the middle generation, which participated in the civil war, and that part of the youth which took seriously the Bolshevik traditions, shows not only a political but a thoroughly physical incompatibility between Bolshevism and Stalinism". (Trotsky, *Writings 1936-37*, p. 423.)

An entire generation of Old Bolsheviks was wiped out. The old Tsarist state machine, which Lenin had repeatedly warned against, asserted its supremacy through the Purges, which aimed at exterminating the revolutionaries and obliterating the whole heritage of

Bolshevism. The link with October became, in effect, a death warrant. This applied to anyone, not just Trotskyists, although they were the first and principal victims. But the followers of Bukharin soon joined them in the camps, followed by anyone else who provided a link to the past, including many Stalinists. This was a one-sided civil war against Bolshevism, which was launched by the ruling elite for two main purposes.

Firstly, in order to consolidate the rule of the Leader (the *Vozhd* in Russian, which, incidentally, is an exact translation of "Führer" or "Duce"), Stalin wanted to cover up the fact that the role he had played in the revolution

was quite insignificant, a fact which was well known in Party circles. Even members of his own leading faction, such as Sergo Orzhonikidze, could not take seriously the idea of Stalin as the great Leader and Teacher, for which crime, either they were murdered or driven to suicide. Stalin did not want any uncomfortable witnesses. Already at this time, Stalin was showing signs of megalomania. But it would be wrong to see this as a personal or psychological phenomenon. Psychological deviations cannot explain a massacre on such an immense scale, which disrupted the economy, caused tremendous social upheaval, and even put the existence of the USSR in jeopardy, especially when

it spread to the army.

The peculiar nature of the bureaucracy as an usurping ruling caste gave rise to all sorts of contradictions. The bureaucracy, which had politically expropriated the working class, nevertheless based itself on the nationalised property forms established by the revolution. It was compelled to speak in the name of Bolshevism, while systematically trampling underfoot all the traditions of Bolshevism. This is not the first time that such things have happened. After 1794, the leaders of the Thermidorian reaction in France still continued to speak in the name of the Revolution, while persecuting the

Jacobins and restoring the customs and privileges of the old regime. To silence all criticism, it was essential to eliminate all those who could point an accusing finger and remind the masses - or even the bureaucrats themselves - of how things used to be.

The usurpatory character of the ruling caste, the illegitimate nature of its perks and privileges, the evident contradiction between the "socialist" proclamations and the growing inequality, all meant that the upstart bureaucrats felt insecure. Their insecurity and fear of the masses meant that they sought safety in the shade of a Strong Man who would silence all opposition. The Strong Man (the *Vozhd*)

was not to be questioned, for to question the Leader was to question the bureaucracy itself. The physical wiping out of all opposition, actual or potential, and the implantation of a totalitarian regime, was thus the prior condition for the consolidation of the ruling bureaucracy. Stalin's psychological peculiarities, his psychopathic cruelty and megalomania can explain the grotesque monstrous character which he imparted to the Purges, but not the phenomenon itself.

Old Bolsheviks exterminated

*"We thank thee, Stalin!
Sixteen scoundrels,*

*Sixteen butchers of the Fatherland
Have been gathered to their ancestors!
Today the sky looks blue,
Thou hast repaid us for the sorrows of
many years!
But why only sixteen?
Give us forty,
Give us hundreds,
Thousands;
Make a bridge across the Moscow
river,
A bridge without towers or beams,
A bridge of Soviet carrion -
And add thy carcass to the rest!"*

The above lines were published in the Paris White Guard paper *Vozrozhdenye* on the 29th August 1938, following the

announcement of the executions after the first trial. The enemies of October had good reason to rejoice. All the main defendants in the Trials were close associates of Lenin before, during and after the October Revolution. The defendants were originally charged with attempting to restore capitalism in Russia, which was then discarded in the 1936 trial, and replaced by "lust for power" and pursuing a terrorist plan to exterminate Stalin and other Soviet leaders.

One of the foulest slanders which is now aimed at Lenin and Trotsky is that Stalin's Purges were only the continuation of the Red Terror waged by

the Bolsheviks after the Revolution. Apart from the fact that it is impossible to compare the monstrous methods used by Stalin with those employed by the embattled workers' government to defend itself against powerful and ruthless enemies, this argument overlooks the most important question: against whom was the terror waged and for what purpose? In the same hypocritical way, the Pharisees throw up their hands in horror at the Terror of the French Revolution. But unfortunately all history shows that a ruling class or caste does not normally give up its power and privileges without a fight.

From a revolutionary point of view, it is

impossible to consider the question of violence in the abstract. Of course, every sane person abhors violence and will attempt to avoid it. But when one is attacked and in danger of being murdered, most people will fight to defend themselves. The revolutionary Terror, both in France and Russia, was a response to the violence of the reaction. Without the most energetic measures of self-defence the revolution in both cases would have been smothered in its own blood. How can one seriously condemn such measures of self defence of the revolution against those who wish to destroy it? The case is completely different with the violence of the counter-revolution. After Thermidor,

terrible violence was directed against the Jacobins, but very little is said about this. The Pharisees pass over it in silence, or read us hypocritical morality lessons about the "Revolution devouring its own children" and so on. But the violence of the French Revolution in the period of its ascent was directed against the counter-revolution - aristocrats, priests, speculators and the like. The Thermidorian and Bonapartist terror was directed against the revolutionaries. There is a qualitative difference between the two. Not to see this is to understand nothing.

In 1922 the leaders of the SRs were put on trial charged with acts of terrorism

against the leaders of the Soviet state. But there was absolutely nothing in common between this and Stalin's frame-ups. The first difference is that the SRs were guilty of the crimes they were charged with. They not only admitted them, but proudly proclaimed their actions. That is not surprising. Unlike the Russian Marxists who were always implacably opposed to individual terror, the SRs (both the Right and Left) were the inheritors of the traditions of the Narodnaya Volya party which openly espoused the method of terrorism. There was not the slightest doubt that they were responsible for the assassination of Bolshevik leaders like Uritsky and Volodarsky and the attempted

assassination of Lenin. They did not have to be forced to confess, since they regarded their actions as correct and legitimate. In Tsarist times, they frequently handed themselves over to the authorities after perpetrating an assassination. There was yet another fundamental difference. Not only were the SR leaders allowed a legal defence, but they were able to employ lawyers from abroad, specifically the Belgian Social Democratic leader Emile Vandervelde, who was also a prominent lawyer. The crimes were punishable by death, but the sentences were suspended. None of the accused was executed (although some were later to be shot by Stalin). They were not required to

renounce their views, let alone slander themselves in court.

In the Purge trials things were different. The accused were compelled to confess to the most monstrous crimes which they did not commit, and before they were delivered to the executioner, forced to pour dirt over their own heads. Only one of the defendants, Krestinsky, attempted to repudiate his confession in court. He was sent back to the GPU torturers and when he returned 24 hours later confessed to everything. Bukharin attempted to fend off the most atrocious accusations, such as the fantastic charge that he had attempted to assassinate Lenin. He was helped by the courageous

stand of an SR, Boris Kamkov, who was called as a prosecution witness but refused to substantiate the charge, although he had nothing to lose since he was already a prisoner of the GPU and Bukharin was a political opponent. He undoubtedly paid a terrible price for his defiance. Bukharin left his defence to posterity, making his wife, Anna Larina, learn his last letter by heart to pass on to future generations. She repeated it every day for 20 years "like a prayer" in Stalin's concentration camps, which she survived by a miracle.

In this letter, Bukharin points out the fundamental difference between the old revolutionary Cheka under Dzerzhinsky

and Stalin's GPU:

"TO A FUTURE GENERATION OF PARTY LEADERS

"I am leaving life. I bow my head, but not before the proletarian scythe, which is properly merciless but also chaste. I am helpless, instead, before an infernal machine that seems to use medieval methods, yet possesses gigantic power, fabricates organised slander, acts boldly and confidently.

"Dzerzhinsky [head of the secret police, or Cheka, under Lenin] is no more; the wonderful traditions of the Cheka have gradually receded into the past, those traditions by which the revolutionary

idea governed all its actions, justified cruelty toward enemies, safeguarded the state against any counter-revolution. For this reason, the organs of the Cheka won a special trust, a special honour, an authority and respect. At the present time, the so-called organs of the GPU are in the main a degenerate organisation of unprincipled, dissolute, well-kept functionaries who, enjoying the former authority of the Cheka, seeking to satisfy the pathological suspiciousness of Stalin (I fear to say more), pursuing rank and glory, perform their foul deeds without, incidentally, understanding that they are simultaneously destroying themselves: history does not tolerate the witnesses to dirty deeds!

"These 'wonder-working' organs can grind any member of the Central Committee, any member of the Party, into dust, turn him into a traitor-terrorist, saboteur, spy. If Stalin doubted in himself, confirmation would follow in an instant.

"Storm clouds hang over the Party. My death alone, guilty of nothing, will implicate thousands more of the innocent. For, after all, an organisation must be created, a 'Bukharinist organisation,' that in reality not only does not exist now, when I am in my seventh year without a shadow of disagreement with the Party, but did not exist then, in the years of the Right

Opposition. I knew nothing about the secret organisations of Ryutin and Uglanov. Together with Rykov and Tomsky, I expounded my views openly.

"Since the age of 18, I have been in the Party, and always the goal of my life has been the struggle for the interests of the working class, for the victory of socialism. These days the newspaper with the hallowed name Pravda prints the most contemptible lie that I, Nikolai Bukharin, wanted to destroy the achievement of October, to restore capitalism. That is an unheard-of obscenity. This is a lie that in its obscenity could only be matched by the story that [Tsar] Nikolai Romanov

devoted his whole life to the struggle against capitalism and the monarchy, to the struggle for the realisation of the proletarian revolution." (Quoted in Anna Larina, *This I cannot forget*, pp. 343-4.)

Let us recall when reading these lines that the man who wrote them was described by Lenin as "the Party's favourite", and one of its main theoreticians. True, Bukharin made many mistakes, some of them serious, but he was an honest revolutionary unlike those who murdered him. The main purpose of the Purges was to draw a line of blood between the bureaucracy and the real traditions of Marxism-Leninism. It was necessary to break the knot of history, to

destroy utterly the old traditions of workers' democracy and internationalism, to leave nothing behind that could remind future generations of the real meaning of October. Thus, it was not enough to torture and murder the Old Bolsheviks. They had to be made to cover themselves in filth, to publicly renounce their "crimes", and to sing the praises of Stalin. Zinoviev, Kamenev, Bukharin, Rykov, Radek, Rakovsky and a number of other revolutionaries confessed to being life-long imperialist agents. Their accuser, the chief prosecutor, Vyshinsky was an old Menshevik lawyer who had collaborated with the White counter-revolution.

Practically the entire Bolshevik Old Guard was exterminated. Among the victims was A. V. Shotman, an old Party member who was put in charge of protecting Lenin's life when he was forced underground after the July days in 1917. In 1918, Lenin wrote: "Shotman is an old Party comrade whom I know quite well. He deserves absolute trust." Yet he was arrested and died in 1939. A large number of foreign Communists perished. Fritz Platten, the Swiss revolutionary who had collaborated with Lenin and organised the famous sealed train which took him from Switzerland to Russia in 1917, survived Tsarist, Swiss, German and Rumanian prisons but died in one of Stalin's camps. The

entire leadership of the Polish Communist Party was liquidated, including I.S. Ganetsky, whom Lenin had personally recommended for membership of the Russian Party.

The Purges effectively liquidated what was left of the Soviet Communist Party. Between 1939 and 1952 there was not a single Party Congress, although even during the most difficult period of the civil war this supreme body had met annually. By the beginning of 1939, out of the 139 members elected at the 17th Party Congress, where Stalin celebrated his victory over the Opposition, 110 had been arrested. Out of the Central Committee of the Bolshevik Party of

October 1917, only two survived: Alexandra Kollontai, who was sent away to be ambassador to Sweden, and Joseph Stalin. Among the entire Party membership, only a few of Stalin's hand-picked protégés and hatchet men were left - the Molotovs, Kaganoviches, Mikoyans and Voroshilovs.

The history of the Party was rewritten. The notorious *History of the CPSU (Bolsheviks) Short Course*, reduced it to a series of lies and legends, designed to glorify the role of Stalin. John Reed's *Ten Days That Shook The World*, which Lenin praised as a truthful account of the Revolution, was banned. Not only was the name of Trotsky erased, and his

image removed from photographs, but even such figures as Krassin, Nogin, Chicherin and Lunacharsky were blotted out. The transformation of the Party from the vanguard of the revolutionary workers to a lever in the bureaucratic apparatus was at last complete. This is the final answer to all the slanderers of Lenin and Trotsky. Those who try to prove that Bolshevism and Stalinism are one and the same phenomenon have yet to explain how it comes about that, in order to triumph, the bureaucratic totalitarian regime was obliged to annihilate the Bolshevik Party, to uproot every vestige of Leninism, to rewrite history and to bury the old traditions of workers' democracy and

internationalism under a mountain of corpses. Surely, if Leninism and Stalinism were all the same, it ought to have been possible to arrive at a compromise? This would have been not only rational, but infinitely more economical. The enemies of October have no answer to this, other than the usual stale clichés about "Revolutions devouring their children" which explain nothing at all. Yet the answer is clear and undeniable to any genuinely objective observer: *Bolshevism and Stalinism are as incompatible as Revolution and counter-revolution.* To those who are incapable of distinguishing between these things we have really nothing more to say.

Families wiped out

So deep was the gulf between Stalinism and Bolshevism, so great Stalin's need to eliminate all vestiges of the past and all witnesses that the slaughter extended far beyond the ranks of active Oppositionists. In this long and bloody nightmare, not only politically active people were affected. Stalin extracted his spiteful revenge on the families of his victims, their wives, children and grandchildren, even their neighbours. The children of arrested Oppositionists were taken from them and put in special orphanages from which most of them disappeared. In the concentration camps, the prisoners were not even allowed to

keep photographs of their children. The son of Bukharin's wife, Anna Larina, was taken from her when he was only one year old and she did not see him again until 20 years later. At least she survived and was eventually reunited with her son. But this was the exception.

Sverdlov escaped the executioner by dying a natural death in 1919, but his brother was killed. Sergo Ordzhonikidze had been a close companion of Stalin for years, but although a close ally of the general secretary, was horrified by the Purges and attempted to shield some of the victims. He committed suicide in 1937, driven to this act by Stalin: "An older brother, Papuliia, was arrested and

shot after terrible tortures, and a falsified record of the interrogation was sent to Ordzhonikidze. Some of Ordzhonikidze's closest friends and associates were shot, while many executives in heavy industry, appointed by Ordzhonikidze, were arrested. Stalin sent him the false depositions extracted from the prisoners by torture, with the comment 'Comrade Sergo, look what they're writing about you.' (R. Medvedev, *Let History Judge*, p. 193). Ordzhonikidze knew too much about Stalin. Like the other victims, his crime was that he was a reminder of the past. Many other Stalinists perished for the same reason.

In the whole history of the world labour movement, there is nothing similar to the persecution suffered by Trotsky and his followers. Trotsky's entire family was wiped out in this murderous terror. His two sons-in-law, Platon Volkov and Nevilson were arrested as Oppositionists in the 1920s. After Trotsky's deportation to Alma-Ata, his two daughters, Nina and Zinaida were deprived of all help, although Nina was seriously ill with tuberculosis. The persecution of her father and the imprisonment of her husband hastened her death at the age of 26 in June 1928. Both Nina's and Zinaida's husbands were later shot. Nina's daughter Volina, born in 1925, was looked after by her

grandmother, Trotsky's first wife Alexandra Sokolovskaya. However, when Sokolovskaya was arrested, the child was taken into custody and disappeared without trace. Trotsky's elder daughter Zinaida, who was also ill with tuberculosis and deeply depressed at the arrest of her husband and the death of her sister, applied for permission to join her father in Prinkipo, together with her small son, Vsievolod Volkov who was ill. This was granted, but when she was abroad, Stalin's government treacherously revoked her citizenship. This blow, which cut her off from all prospects of ever seeing her husband and daughter again, finally unbalanced the mind of this unhappy woman who

was already under treatment for deep depression. Zinaida committed suicide.

Her daughter Alexandra, whom she had left behind in the USSR, was sent to a concentration camp as soon as she was old enough. The fate of her mother Sokolovskaya was particularly tragic. Despite all the terrible suffering and adversity, she remained steadfast in her revolutionary activity, and paid the price. Exiled to Siberia in 1935, where the average life expectancy was two to three years, she died, having previously lost not only her children but her grandchildren also. By a miracle, Alexandra survived many years in the camps, although with her health

undermined, and died in 1989. Only Vsievobod Volkov remains alive in Mexico, having survived one assassination attempt. Trotsky's eldest son Leon Sedov, who played a crucial role in the International Left Opposition, was murdered by Stalin's agents in Paris, while recovering from an operation in February 1938, on the eve of the trial of Bukharin. But the bitterest blow to Trotsky was the arrest of his younger son Sergei, who was not politically active and had stayed behind in the USSR when his father was exiled. Although not himself an active Oppositionist, Sergei conducted himself courageously. He refused to condemn his father, and was shot in 1937, although

nobody knew about it at the time.

Trotsky had two sisters. One died a natural death in 1924. The other, Olga Kamenova, the wife of Kamenev, was first exiled after Kamenev's arrest, then arrested again in 1935 and sent to prison and then a concentration camp. Together with thousands of other Oppositionists she was shot on Stalin's orders in 1941. The persecution of the Trotsky family did not stop there. His nephews Boris Bronstein, and Yuri and Alexander Kamenev were all shot. His elder brother Alexander was another one of Stalin's victims. Dimitri Volkogonov's relatively recent biography of Trotsky is written from a blatantly anti-

revolutionary point of view, and is generally of little value. However, he has had access to material from the KGB archives and other sources not previously available which serves to confirm everything Trotsky and the Left Opposition wrote about the Purges at the time. It is worth quoting what he says in this context:

"Trotsky's elder brother Alexander worked during the 1920s and 1930s as an agronomist in the Novokislyaevsk sugar mill in the province of Voronezh. As I was told by an inhabitant of the district, A.K. Mironov, Alexander was a learned expert who enjoyed the respect of the villagers. He apparently rode in a

beautiful phaeton drawn by two fine horses. When Trotsky came under attack, Alexander was expelled from the Party, exiled, and made publicly to repudiate his brother. He underwent a marked change, shrinking into himself as if from the pangs of conscience. The recantation did not help him, however, and in the summer of 1936 he was suddenly arrested at night and the following year shot in Kursk prison as 'an active, un-disarmed Trotskyist.' Stalin's long arm had reached them all, except the main target himself, his wife and his two sons.

"After the deaths of Nina and Zina there was real fear for the safety of Trotsky's sons, especially Sergei. He had not

wanted to leave the country with his father, preferring to devote himself to his scientific interests. Uninterested in politics, Sergei had first wanted to be a circus performer, but then became interested in technology, completed polytechnic and became a teacher there. He was a professor before he reached the age of 30. He married twice and his daughter from his second marriage, Julia, is still alive in the USA. His first wife, Olga Grebner, a lively and intelligent elderly woman when I spoke to her in 1989, naturally endured Stalinist camp and exile. She recalled Sergei only fragmentarily: he had been a mischievous boy, and an amusing and talented man. Plainly, in the family it

was the elder boy, Lev, who was the favourite. Olga and Sergei had married when he was 20 and she was 19.

"'When the family was kicked out of the Kremlin to Granovsky Street,' she recalled, 'we had nowhere to live. We took shelter in any corner we could find. Lev Davidovich was always welcoming. I was especially impressed by his lively, clever blue eyes. Outwardly, Natalya Ivanovna was not an interesting woman. She was short, fat and unattractive. But it was obvious how much they meant to each other. As I said, Sergei was talented, whatever he turned his hand to, he succeeded. When Trotsky was deported, Natalya Ivanovna said to me:

'Look after Seryozha.' He was arrested on the 4th March 1935. It seemed like a tragic play. Five of them arrived. The search took several hours. They took Sergei's books and a portrait of his father. My husband was taken to the Lubyanka. He was there two or three months. They told him the charges: espionage, aiding and abetting his father, wrecking. Anyway, they sent him to Siberia. He was doomed.'

"In January 1937, *Pravda* published an article under the heading 'Trotsky's Son, Sergei Sedov, Tries to Poison Workers With Exhaust Gas.' At a meeting at the Krasnoyarsk Engineering Works, a foreman called Lebedev declared: 'We

have working here as an engineer the son of Trotsky, Sergei Sedov. This worthy offspring of a father who has sold himself to Fascism attempted to poison a large number of workers at this factory with gas.' The meeting also discussed Zinoviev's nephew Zaks and the factory manager Subbotin, who was alleged to be protecting him and Sergei. All three were doomed. 'Sergei was soon sentenced,' Olga Grebner recalled. 'Some time that summer I received a postcard which he had somehow managed to send. It said: 'They're taking me to the North. For a long time. Goodbye. I embrace you.' There were rumours that he was shot in 1941 somewhere in Kolyma, but Olga

Grebner was not sure. In fact, he had been executed on the 29th October 1937." (D. Volkogonov, *Trotsky*, pp. 354-5.)

The slaughter of the general staff

Every murder had to be covered up with ten more. The Stalinist police butchers Yagoda and Yezhov were themselves purged. For every economic bungle, and they were inevitable without the democratic control of the workers, scapegoats had to be found. Every day another group of officials branded themselves as paid counter-revolutionaries. Bolshevik workers and light-fingered bureaucrats perished alike

in the bloodbath. Beloved figures like the writer Maxim Gorky, whose constant pleading for victims of the Purges were inconvenient for Stalin, disappeared mysteriously. Since people were later accused of poisoning him, we may safely assume that his death was not natural. Literature (and especially drama in conditions of mass illiteracy) which had played an important role in mass communication since the revolution, was brutally suppressed. Anybody who had even the most tenuous connections with October was liquidated, even some of Stalin's aides and accomplices, as was the case with Ordzhonikidze.

Denunciations and informers were

encouraged and every friend or relative of any suspected malcontent was imprisoned. In the mass paranoia, every zealous policeman found as many victims as could be manufactured, to avoid denunciation himself. Children were encouraged to denounce their parents. General Petro G. Grigorenko recalls how he was almost denounced by his own wife. The scope of the repression was vast. No one can say how many perished. According to one estimate, one person in five in Leningrad was either killed, imprisoned or exiled. Not a single genuine letter, not a single document, not a single impeccable piece of evidence was presented at the trials. The only "evidence" was the self

confessions of the defendants - extracted under torture. Kamenev and Zinoviev, already morally broken by capitulation, actually demanded their own execution, having been promised that they would be spared. But Stalin betrayed them. They were the first to be shot.

Not since the witchcraft trials and the Spanish Inquisition had such methods been used to break people and force them to admit to the most appalling crimes of which they were entirely innocent. In his autobiography, the former Soviet general and dissident Petro G. Grigorenko details the kind of tortures used on those who fell into the hands of the GPU, as witnessed by his

own brother:

"He talked about trumped-up sabotage, terrorism, and espionage charges, the biographies the 'enemies' were forced to write, and the tortures used - beatings, crushed fingers and sex organs, cigarette burns on the face and body, standing tortures, and torture by bright lights and with thirst."

And again:

"Standing torture consisted of forcing a man to stand for a very long time in a special small locked closet in which he could not turn or change his position. Gradually, from a lack of air and from fatigue the prisoner would lose

consciousness and sink downward. Then he would be taken out of the closet, aroused, and once again locked in. From standing up for so long the circulation in his legs would be interrupted and they would swell with stagnant blood. This man had those horribly swollen legs. He spoke in a whisper. 'Do not be afraid of people here. I know what you are thinking: «They are all fascists, enemies of the people, and I got here by accident, by mistake» ÉI thought that too. But now I know: there are no enemies here. Someone is compelling us to call ourselves «enemies of the people».' He told Ivan about his interrogation. He was an engineer from the Zaporozhe Steel Works; subsequently he signed a

confession saying that he had been planning to bomb the factory. After subsequent interrogation the man said to Ivan, 'They are not yet torturing you. That means you may be released. They need that for some reason, too. If they let you out, try not to forget anything you've seen here'." (P.G. Grigorenko, *Memoirs*, p. 96.)

The methods used by Stalin in these and later trials, according to Khrushchev at the 20th Congress was as follows: "Stalin personally called the investigative judge, gave him instructions, advised him on which investigative methods should be used; these methods were simple - beat, beat

and, once again, beat." He continued: "Confessions of guilt of many arrested and charged with enemy activity were gained with the help of cruel and inhuman tortures." In his report to the 22nd Congress, he refers to the methods used to extract confessions from the leaders of the Red Army:

"Many excellent commanders and political workers in the Red Army were destroyed. There are comrades among the delegates here - I don't want to give their names so as not to cause them pain - who have spent many years in prison. They were 'persuaded,' persuaded in certain ways, that they were German, British or some other spies. And some of

them 'confessed.' Even when they were told that the charges of espionage against them had been withdrawn, they themselves insisted on their earlier depositions as they felt that it would be better to abide by their false statements in order to have done with the torture, to die the quicker." (*The Road to Communism - Report of the 22nd Congress CPSU*, p. 113.)

The Purges, which touched every level of life, served to create havoc as leading Party cadres, army officers, technicians, statisticians, planners, managers and workers were swept away. A frenzy was unleashed against what Stalin termed the "enemies of the people". After the initial

successes of the Five-Year Plans, the 17th Party Congress in January 1934 was called the "Congress of Victors", and where Stalin sought to consolidate his power. Years later Khrushchev, in his famous "secret speech", pointed out that out of the 1,966 delegates to this Congress, no less than 1,108 were later charged with counter-revolutionary crimes! In the words of Khrushchev, Stalin "chose the path of repression and physical annihilation".

Just before the war, the whole of the General Staff was arrested and brilliant military strategists like Tukhachevsky, Yakir, Gamarnik, from the civil war days, were executed by Stalin who

evidently feared a coup d'état. Hundreds of thousands were shot and millions sent to concentration camps, while Stalin solemnly condemned them all as spies, assassins and wreckers - and worst of all "Trotsky-Fascists".

The Purges decimated the Red Army. Between 1937 and 1938, 20,000 to 35,000 Red Army officers were liquidated. Ninety per cent of the generals and 80 per cent of all colonels were murdered by the GPU. Three marshals, 13 commanders, 57 corps commanders, 110 divisional commanders, 220 brigade commanders, and all the commandants of the Military Districts were executed by GPU firing

squads. The number of arrests carried out at this time included three out of five marshals; three out of four of the first-rank army commanders; 60 of the 67 corps commanders, 136 of 199 division commanders, and 221 of 397 brigade commanders; both first-rank fleet admirals (flagman), both second-rank fleet admirals, all six first-rank admirals, nine of the 15 second-rank admirals, both first-rank army commissars, all 15 second-rank army commissars, 25 of the 28 corps commissars, 79 of the 97 division commissars, and 34 of the 36 brigade commissars.

Of this Roy Medvedev says:

"There were also huge losses among the field-grade and junior officers. The shocking truth can be stated quite simply: never did the officer staff of any army suffer such great losses in any war as the Soviet army suffered in this time of peace.

"Years of training cadres came to nothing. The Party stratum in the army was drastically reduced. In 1940 the autumn report of the Inspector General of Infantry showed that, of 225 regimental commanders on active duty that summer, not one had been educated in a military academy, 25 had finished a military school, and the remaining 200 had only completed the courses for

junior lieutenants. At the beginning of 1940 more than 70 per cent of the division commanders, about 70 per cent of regimental commanders, and 60 per cent of military commissars and heads of political divisions had occupied these positions for a year only. And all this happened just before the worst war in history." (Roy Medvedev, *Let History Judge*, pp. 213-4. 1976 edition.)

Countless people disappeared without trace in the prisons of the GPU, having died under torture or been shot. In fact, many more died without confessing than those who were broken by torture. Millions more perished in Stalin's camps, where they were starved or

worked to death, froze, or were shot. The food ration in the camps was always close to starvation level, in some cases as low as 400 grams of bread a day, and not every day. On such rations, the prisoners were put to work on heavy construction and mining, in freezing Arctic conditions. The following is a description of one of the camps:

"I will not repeat all the things I heard but did not see myself. I will tell only about how people died before my eyes, every day, by the dozens, sent 'over the hill,' dying in the tents, freezing and crowding around the iron stoves, dropping from hunger and cold, from dysentery and malnutritionÉ

"The high rate of illness and death at Adak was caused by the fact that when the people from Vorkuta arrived, not only were the tents not ready - so that people caught cold from sleeping on the frozen ground under the open sky - but also no food had been provided and there was no kitchen, bakery, or bathhouse. Out of desperation the starving people pounced on frost-bitten potatoes that were rotting out in the open. Because they were rotten, they caused dysentery and diarrhoea to all who ate them, after which the weaker ones began dying like flies. In kettles over open fires, a kind of foul-smelling codfish, some that had gotten frozen and some that had frozen and thawed, was

boiled and then served in this boiled form right into people's dirty hands. There was no bread. Instead they boiled lumps of dough in the same kettles over open fires. One of these, half-wet and boiling hot, would be doled out to each person to last the whole day. The starving people would bolt these down greedily and the next moment be clutching at their stomachs in pain." (George Saunders (editor) *Samizdat: Memoirs of a Bolshevik-Leninist*, p. 170.)

Even in these hellish places, the Trotskyists maintained their organisation and revolutionary faith. They held political discussions, and attempted to

follow events in the Soviet Union and internationally. Finally, under intolerable pressure, they organised a hunger strike, something without a precedent in Stalin's labour camps. In October 1936, the prisoners declared themselves on strike. In the barracks occupied by the Trotskyists, the strike was 100 per cent solid. Even the orderlies struck. About one thousand prisoners participated in the strike in the Vorkuta mines which lasted more than four months, and only ended in March 1937 when the strikers received a radiogram from the headquarters of the GPU conceding all their demands. But later the prison regime got worse. Finally, in March 1938, the Trotskyists of Vorkuta were

taken out into the tundra in groups and shot:

"The executions in the tundra lasted the whole month of April and part of May. Usually one day out of two, or one day out of three, thirty to forty prisoners were called. It is characteristic to note that each time, some common criminals, repeaters, were included. In order to terrorise the prisoners, the GPU, from time to time, made publicly known by means of local radio, the list of those shot. Usually broadcasts began as follows: 'For counter-revolutionary agitation, sabotage, brigandage in the camps, refusal to work, attempts to escape, the following have been shotÉ'

followed by a list of names of some political prisoners mixed with a group of common criminals.

"One time, a group of nearly a hundred, composed mainly of Trotskyists, was led away to be shot. As they marched away, the condemned sang the Internationale, joined by the voices of hundreds of prisoners remaining in camp.

"At the beginning of May, a group of women were shot. Among them were the Ukrainian Communist, Chumskaya, the wife of I.N. Smirnov, a Bolshevik since 1898 and ex-peoples' commissar; (Olga, the daughter of Smirnov, a young girl, apolitical, passionately fond of music,

had been shot a year before in Moscow); the wives of Kossior, of Melnais, etc. É one of these women had to walk on crutches. At the time of execution of a male prisoner, his imprisoned wife was automatically liable to capital punishment; and when it was a question of well-known members of the Opposition, this applied equally to any of his children over the age of twelve." (Ibid., pp. 215-6.)

'The mark of Cain'

The horror of the Purges was such that for a time the Soviet working class was stunned. All the Old Bolshevik leaders, Lenin's comrades in arms, were accused

of being agents of the Gestapo. In this way, the living links with October were broken. This prepared the way for reaction at a later stage. A particularly pernicious role was played by the leaders of the Communist Parties internationally. Despite the monstrous nature of the charges and the history of the defendants, the leaders of the Communist Parties lost no time in condemning the accused and vindicating the hangman. So Stalinised had they become that not one leader of the Communist Parties of the world spoke out against the horrors of the Purges. They had become the yes-men and -women of Moscow. The complicity of these "Communist" leaders in Stalin's

crimes is one of the most shameful episodes in the history of the world labour movement. They participated in every zig-zag of Moscow's policy, justifying the murder of the Old Bolsheviks, and praising Stalin. By dishonestly covering up all the crimes of the bureaucracy, they prepared the way for the collapse of the USSR decades later, and must bear a heavy responsibility for the present catastrophe.

According to the English Stalinist Andrew Rothstein in a book written while Stalin was still alive: "The citizens of the Soviet Union felt the strength of their country, during these

years, in a way that they had never felt before." He went on: "In the late spring of 1936, a series of arrests of Nazi agents and Trotskyist conspirators revealed the existence of a much wider organisation - a central terrorist committee which included, not only Zinoviev and Kamenev, but several leading Trotskyists. Preliminary investigations and evidence given at the trial revealed that, through Germans who had been sent to the USSR by Trotsky himself, the organisation was in close contact with the German Gestapo. Zinoviev, Kamenev and their associates were sentenced to be shot." (A. Rothstein, *A History of the USSR*, pp. 239-42.)

In a book published in 1939, another member of the CPGB ridiculed the idea that torture had been used to extract false confessions. J.R. Campbell quotes a passage from the official transcript of the trial of the Trotskyist and civil war hero Muralov:

"Vyshinsky: 'Were you badly treated?'

Muralov: 'I was deprived of my liberty.'

Vyshinsky: 'But perhaps rough methods were used against you?'

Muralov: 'No. No such methods were used. I must say that in Novosibirsk and here I was treated very decently and politely.'" (J.R. Campbell, *Trial of Anti-Soviet Trotskyite Centre*, pp. 231-2.)

This was a period when repressive measures in Stalin's jails acquired the cruellest expression. With the replacement of Yagoda by Yezhov at the top of the GPU, torture was permitted in interrogation for the first time. Yet Campbell could write:

"We are asked by Trotsky to believe that one of his more outstanding followers, a man who never made his peace with the Communist Party of the Soviet Union, not only confessed to crimes of which he was guiltless, but actually falsely declared that he was treated most politely." (Campbell, *Soviet Policy and its Critics*, p. 250.)

Elsewhere he describes Trotsky's comments on the case of Muralov as "a hypothesis from the padded room". (Ibid., p. 252.) Campbell says: "Some of these activities were carried out on the direct instructions of the German Intelligence Service." (Ibid., p. 220.) And again: "It is unfortunate that these people were in important positions. It is not unfortunate that those who were traitors have been executed and those who were degenerate and inefficient removed. The Trotskyist traitors also believed in a purge, a purge possible only on the basis of a Fascist victory. The purge is the final and crushing answer to this fantasy. It reveals, not the triumph of bureaucracy, but the triumph

of Socialist Democracy. It reveals the people of the Soviet Union against faint-hearts, renegades and deserters." (Ibid., p. 236.)

The foul accusation that well-known revolutionists collaborated with Hitler to overthrow the Soviet Union was decisively disproved when the German archives were opened after the war: "The great mass of new material which has emerged since the defeat of Germany in 1945 has produced some evidence of conspiracy between the NKVD and the Gestapo, but none of any contacts between the Germans and the Oppositionists. Finally, wherever the evidence adduced at the trial related to

past events, the distortion and falsification to which these events were subjected by the prosecution can easily be exposed by anyone in possession of the sources available to the historian." (L. Schapiro, *The Communist Party of the Soviet Union*, p. 424, my emphasis.)

The British Daily Worker carried articles demanding the execution of the accused with slogans such as "Shoot the reptiles". During the second world war the British Communist Party actually published a pamphlet directed against the British Trotskyists with the title "Hitler's Secret Agents". They even demanded that we be illegalised. This was typical of the hooligan methods

which were the stock-in-trade of the Stalinists in the international labour movement at the time. *Yet there was no substance whatsoever in the accusations. Every one of the victims was innocent of the crimes imputed to them. This was one of the vilest crimes committed in the whole of history. And the mark of Cain will be forever branded not only on the perpetrators, but also on those who applauded them from the sidelines.*

It cannot be argued that they were ignorant. Throughout this period Leon Trotsky and his son Leon Sedov published a vast amount of material showing conclusively that the charges

were false. The CP leaders had access to this material. In one of the trials great stress was laid on an alleged meeting of Trotsky with one of the defendants who was supposed to have flown to Norway. Trotsky proved that no aircraft had landed at the relevant airport on or near the date alleged. There were many other similar discrepancies. In 1937, an impartial International Commission of Enquiry, under American philosopher John Dewey, conducted hearings into the Kremlin charges made against Leon Trotsky and his son, Leon Sedov. After extensive examination of detailed evidence presented to the Commission, it concluded that the Moscow trials were frame-ups and Trotsky and Sedov were

not guilty of the 18 specific charges of the prosecution against them. In 1956, in the secret session of the 20th CPSU Congress, Khrushchev admitted the trials were a frame-up, and that those shot were innocent of the crimes of which they were accused.

Khrushchev attempted to put the blame for these crimes against socialism on the shoulders of one man - as if one man could be responsible for such a monstrous regime! Leopold Trepper, who became the leader of the Soviet intelligence network in occupied Europe during the second world war, refutes this idea. "How could they have looked on while their comrades in arms were

sentenced without proof?" asks Trepper. "After the 20th Congress in 1956, all these leaders feigned astonishment. To hear them, Khrushchev's report was a real revelation. In reality, they had been knowing accomplices of the liquidations, including those of members of their own Parties." He continues: "I still have memories from this dark period that time has not erased. The fear for tomorrow, the anguish that we might be living our last hours of freedom, dictated our actions. Fear, which had become our second skin, induced caution, guided us towards submission. I knew that my friends had been arrested and I said nothing. Why them? Why not me? I waited for my turn,

and prepared myself for this end." (L. Trepper, *The Great Game - Memoirs of a Master Spy*, p. 54.)

Despite Khrushchev's revelations, very few victims of the Purge trials were rehabilitated. With the coming to power of Gorbachov, some progress was made as part of glasnost (openness). In July 1987, a decision was taken to rehabilitate Bukharin and Rykov, who were shot in 1938. In February 1988, the Soviet Supreme Court reversed the verdict of its Military Collegium in the case of the Right Trotskyite Bloc of 1938. However, the trials of 1937, 1936 and 1935 as well as earlier show trials from 1928 to 1932 were left in

abeyance. Gorbachov had a vested interest in rehabilitating Bukharin as he had drawn close to a number of his ideas, particularly the need to re-establish the market. Whereas in November 1987, Gorbachov denounced Trotsky as "a cunning politician", and Trotskyism as "a current, whose ideologiesÉ in essence occupied capitalist positions", whilst "the political centre of the Party, headed by Stalin, defended Leninism in the ideological struggle" squarely against the Trotskyist Opposition.

Although the Purge trials were completely exposed as frame-ups, Trotsky was not rehabilitated, and there

were renewed attempts to demonise him. This showed that the ruling elite still feared his ideas, the genuine ideas of Bolshevism-Leninism. As late as October 1988, Pravda published an article on Trotsky entitled *The Demon of the Revolution*, which accused Trotsky of causing the wave of political terror within the USSR by his propaganda activity outside of the country!

"Specifically in regard to Leon Trotsky," says Medvedev, "his activities and tragic fate require a precise and carefully weighed political and legal evaluation." He says, nevertheless, "Trotsky was never a spy for the Gestapo. And, we must remember, the

death sentences passed against Trotsky in absentia at the three major Moscow trials did not remain a dead letter. The 'verdict' was carried out in 1940 in Mexico by an NKVD group 'for special assignments abroad.'" (Medvedev, *Let History Judge*, pp. 18-9.)

We will give the final word to a man who, while never a Trotskyist, was well able to judge what happened in the light of his own tragic life. Examining his conscience decades later, Leopold Trepper recalled his harrowing experience in the university in Moscow at the time of the Purges:

"Yugoslavs, Poles, Lithuanians, Czechs -

all disappeared. By 1937, not one of the principal leaders of the German Communist Party was left, except for Wilhelm Pieck and Walter Ulbricht. The repressive madness had no limits. The Korean section was decimated; the delegates from India had disappeared; the representatives of the Chinese Communist Party had been arrested. The glow of October was being extinguished in the shadows of underground chambers. The revolution had degenerated into a system of terror and horror; the ideals of socialism were ridiculed in the name of a fossilised dogma which the executioners still had the effrontery to call Marxism.

"And yet we went along, sick at heart, but passive, caught up in machinery we had set in motion with our own hands. Mere cogs in the apparatus, terrorised to the point of madness, we became the instruments of our own subjugation. All those who did not rise up against the Stalinist machine are responsible, collectively responsible. I am no exception to this verdict.

"But who did protest at the time? Who rose up to voice his outrage?"

"The Trotskyites can lay claim to this honour. Following the example of their leader, who was rewarded for his obstinacy with the end of an ice-axe,

they fought Stalinism to the death, and they were the only ones who did. By the time of the great Purges, they could only shout their rebellion in the freezing wastelands where they had been dragged in order to be exterminated. In the camps, their conduct was admirable. But their voices were lost in the tundra.

"Today, the Trotskyites have a right to accuse those who once howled along with the wolves. Let them not forget, however, that they had the enormous advantage over us of having a coherent political system capable of replacing Stalinism. They had something to cling to in the midst of their profound

distress at seeing the revolution betrayed. They did not 'confess,' for they knew that their confession would serve neither the party nor socialism." (L. Trepper, op. cit., pp. 55-6, my emphasis.)

The end of the Comintern

In its heyday, the Communist International moved hundreds of millions. Apart from the early Christians who led the oppressed masses against the Roman Empire, and Islam which roused the Arab nation, this was the biggest revolutionary movement in human history. Lenin and Trotsky had anticipated that the Russian Revolution

would be followed by a wave of revolutions which would put an end to the isolation of the Russian workers' state. To this end they established the Communist International (Comintern). The first four Congresses of the Communist International were an extraordinary compendium of revolutionary theory, for the purpose of educating the newly formed and inexperienced Communist Parties of Western Europe, the USA and Asia. Even today these writings remain a rich mine of Marxist ideas and theory.

Had the Communist International remained on these lines, it would undoubtedly have ended in victory in

one or more countries, thus changing the fundamental relationship of forces. But the Stalinist reaction made a fundamental difference, not only in Russia, but in all the Communist Parties. Here we see the superiority of the Marxist method over empiricism. As early as 1928, at a time when the leaders of the Communist Parties were genuinely trying to act as a revolutionary Marxist international, Trotsky predicted that, if the Communist International adopted the theory of socialism in one country, this would inevitably be the beginning of a process which could only end in the national-reformist degeneration of every Communist Party in the world. Trotsky's prediction was greeted with derision by

the leaders of the Communist Parties. But now, history has taken a cruel revenge. Seventy years later, the mighty Communist International is no more, and the Communist Parties have everywhere degenerated on nationalist and reformist lines, just as Trotsky predicted.

This process did not begin yesterday. Even before the second world war, under the pernicious influence of Stalin, the Communist Parties had been steeped in opportunism of the worst sort. There was one zig-zag after another - from conciliating the Social Democrats to the ultra-left madness of the Third Period. Today, not one of the basic ideas of Marxist-Leninism are defended by the

Communist Party leaders. Before the war, the Communist Parties developed the "anti-fascist alliance" between the Soviet Union and the so-called democracies. Under this banner they betrayed the revolution in Spain and France in 1936, when the working class could have come to power. Slavishly following the dictates of Stalin's foreign policy, the revolution had to be sacrificed on the altar of the "alliance".

With the rise of Hitler, again due to the policies of Stalin, the stranglehold of the bureaucracy within the Soviet Union was further increased. Higher and higher over the Soviet masses the bureaucratic caste raised itself, increasing its power.

But this progressive degeneration has had qualitative changes. From merely being incapable of insuring anything but defeats for the world working class, Stalinism has become opposed to the workers' revolution in other countries. The Moscow trials, the murder of the Old Bolsheviks, the Purges, the murder and exile of tens of thousands of the flower of the Russian Communist workers, completed the Stalinist counter-revolution within the Soviet Union.

Events in France and Spain were fresh in every revolutionary's mind. The Comintern played the main role in destroying the revolution which could

have been accomplished. Indeed, it revealed itself as the fighting vanguard of the counter-revolution. The defeats of the world working class inevitably led to the new world war. Ironically, the war was ushered in by a pact between Hitler and Stalin. Thus Stalin dealt new blows to the world working class and the Comintern. It now executed a somersault and conducted a campaign for peace in the interests of Hitler, with a skilful counterfeit of a "revolutionary" policy. As Trotsky forecast in his prediction of the Stalin-Hitler agreement in an article written in March 1939:

"The fundamental trait of Stalin's international policy in recent years has

been this: that he trades in the working class movements just as he trades in oil, manganese and other goods." In this statement there is not an iota of exaggeration. Stalin looked upon the sections of the Comintern in various countries and upon the liberating struggle of the oppressed nations as so much small change in deals with imperialist powers.

"When he requires the aid of France, he subjects the French proletariat to the Radical bourgeoisie. When he has to support China against Japan, he subjects the Chinese proletariat to the Kuomintang. What would he do in the event of an agreement with Hitler?"

Hitler, to be sure, does not particularly require Stalin's assistance to strangle the German Communist Party. The insignificant state in which the latter finds itself has moreover been assured by its entire preceding policy. But it is very likely that Stalin would agree to cut off all subsidies for illegal work in Germany. This is one of the most minor concessions that he would have to make and he would be quite willing to make it.

"One should also assume that the noisy, hysterical and hollow campaign against fascism which the Comintern has been conducting for the last few years will be slyly squelched." (Trotsky, *Writings 1938-39*, pp. 202-3.) These prophetic

lines were strikingly confirmed by the Hitler-Stalin pact of 1939.

After five years of vociferous demands for an agreement between the Soviet Union and the "democracies" of Britain, France and the USA, Stalin did a 180 degree turn to reach an agreement with Hitler in 1939. Trotsky warned that this would prepare the way for big fascist victories, as it would disorient the workers of Britain, France and other countries. This ushered in the second world war, which Stalin thought he could avoid by this diplomatic trick of switching alliances. The Communist Parties then reversed the position of "collective security" and begun attacking

the "allied warmongers". The British *Daily Worker* for example, in the so-called phoney war of 1939-40 was demanding peace on Hitler's terms. Even the illegal German Communist Party had this position. After the German invasion of France, the French Communist Party (PCF) sent a delegation to the Germans asking permission to publish *L'Humanité* legally under the German occupation. They were shot. In Norway, however, the CP was actually allowed to publish legally for some months under the Nazi occupation, demanding "peace", etc., while the Social Democrat papers were suppressed. Naturally, having done the dirty work, they in turn were suppressed when Hitler was preparing

his invasion of Russia.

This policy of Stalin and the "stinking corpse" of the Comintern suffered irretrievable ruin when the Nazis invaded the Soviet Union. After 1941, the Line was changed again. After Hitler's invasion of Russia, the Communist Parties were once again mobilised to support the "Democracies" in their "war against fascism". The British *Daily Worker* published a two inches headline with the words: "The only good German is a dead one." The Comintern had to execute a right about turn and convert itself once again into a doormat for Roosevelt and British imperialism. But with the increased

dependence of Stalin on American and British imperialism, had come the increased pressure on the part of the capitalist allies. In particular, American imperialism was demanding the dissolution of the Comintern as a final guarantee against the danger of social revolution in Europe after the downfall of Hitler.

The long drawn-out pretence was over. In 1943, Stalin dissolved the degenerate Comintern, in an attempt to gain the "good will" of the imperialists. This criminal policy did not have the effect that Stalin wanted. The rank and file of the Communist Parties did heroic work in the resistance throughout occupied

Europe after 1941. But when the Communist Party had the possibility of coming to power in France, Italy, Belgium, etc., they entered coalition governments. Having saved capitalism, they were then unceremoniously booted out. This opened up the cold war - a period of heightened superpower tensions and rivalries between Stalinism and the West.

(1) The name of Stalin's secret police was changed several times - GPU, OGPU, NKVD, etc. For the sake of simplicity we have used GPU throughout, until the more recent period when it is referred to as the KGB. ([back to text](#))

(2) The modern spelling of Kuomintang is Guomindang. However, throughout this book both the old and new forms of Chinese spelling are used. ([back to text](#))

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Russia:

**from Revolution to
counterrevolution**

Part Four:

The nature of Stalinism

The controversy over the class character of the USSR

According to Lenin, the state "É has always been a certain apparatus which separated out from society and consisted of a group of people engaged solely, or almost solely, or mainly, in ruling.

People are divided into ruled and into specialists in ruling, those who rise above society and are called rulers, representatives of the state.

"This apparatus, this group of people who rule others, always takes command of a certain apparatus of coercion, of physical force, irrespective of whether this coercion of people is expressed in the primitive club or - in the epoch of slavery - in more perfected types of weapons, or in the firearms which appeared in the Middle Ages or, finally, in modern weapons which, in the twentieth century, are marvels of technique and are entirely based on the latest achievements of modern

technology.

"The methods of coercion changed, but whenever there was a state there existed in every society a group of persons who ruled, who commanded, who dominated and who, in order to maintain their power, possessed an apparatus of physical coercion, an apparatus of violence, with those weapons which corresponded best to the technical level of the given epoch. And by examining these general phenomena, by asking ourselves why no state existed when there were no classes, when there were no exploiters and no exploited, and why it arose when classes arose - only in this way shall we find a definite answer to

the question of the essence of the state and its significance.

"The state is a machine for maintaining the rule of one class over another."
(LCW, *The State*, Vol. 29, p. 477.)

Why is it, as Marx stated, that the working class cannot take over the ready made capitalist state machine and use it for its own ends? Not for mystical reasons but because of certain very concrete facts. In the modern state all the key positions are in the hands of those people who are under the control of the ruling class: they have been specially selected by education, outlook, and conditions of life, to serve the interests

of the bourgeoisie. The army officers, particularly the higher ranks, the civil servants, and the key technicians, are moulded in their ideas and outlook to serve the interests of the capitalist class. All the commanding positions in society are placed in the hands of people whom the capitalist class can trust. That is the reason the state machine is a tool in the hands of the capitalists which cannot be used by the working class and must be smashed and swept away by them. Now, what does the smashing of the state machine mean?

It is possible that many, perhaps even the majority of the officials of the capitalist state, will be used by the working class

once it comes to power. But they will be subordinate to the workers' committees and organisations. For example in the Soviet Union, in the early days after the Tsarist army had been dissolved, the Red Army was forced to employ the services of ex-Tsarist officers, under the control of the political commissars. Likewise, in the Soviet state apparatus a considerable proportion of the officials were made up from ex-Tsarist officials. Because of unfavourable historical factors this was later to play an important role in the degeneration of the Russian regime. Not for nothing did Lenin say that the Soviet state is "a bourgeois Tsarist machine É thinly varnished with socialism".

The proletariat, according to the classical concept, smashes the old state machine and proceeds to create a semi-state. Nevertheless, it is forced to utilise the old technicians. But the state, even under the best conditions, say in an advanced country with an educated proletariat, remains a relic of class society, and implicit within it is the possibility of degeneration. For that reason Marxists insist on the control of the masses, to ensure that the state should not be allowed to develop into an independent force. As speedily as possible, it should be dissolved into society. For the very reasons given above, under certain conditions, the state can gain a certain independence from the

base which it originally represented. Engels explained that though the superstructure - state and ideology - is dependent on the economic base, it nevertheless has an independent movement of its own. For quite a lengthy period, there can be a conflict between the state and the class which that state represents. That is why Engels speaks of the state *normally* or in *typical periods* directly representing the ruling class. Thus, one can only understand class society if one takes into account the many-sided dialectical inter-dependence and antagonisms of all the factors within it.

When considering the development of

society, economics must be considered the dominant factor. The superstructure which develops on this economic base separates itself from the base and becomes antagonistic to it. After all, the essence of the Marxist theory of revolution is that the gradual changes in production, at a certain stage, come into conflict with the old form of superstructure in both property and state. According to Marx: "From forms of development of the productive forces these relations turn into their fetters." A profound contradiction develops which can only be resolved by abolishing the superstructure and reorganising society on the base of the new mode of production which has developed within

the old.

Although it does not exhaust the question of the class nature of the state, which at different times is defined in different ways, economy and property relations are decisive in the long run. Because of this, as all the Marxist teachers were at pains to explain, *in the last analysis* the superstructure must come into correspondence with it. "With the change of the economic foundation, the entire immense superstructure is more or less rapidly transformed," as Marx expressed it. If one abandons this criterion, all sorts of superficial and arbitrary constructions become possible. One would inevitably be lost in the maze of

history, like Perseus in the mythology of ancient Greece who was lost in the Palace of Minos, but without a thread to lead one out. The thread of history is the basic economic structure of society, or the property form, its legal reflection. In the words of Engels: "We regard economic conditions as that which ultimately conditions historical development." (MESW, Engels to W. Borgius in Breslau, Vol. 3, p. 502.)

In 1793 the French Jacobins seized power. As Marx and Engels pointed out, they went beyond the framework of bourgeois relations and accomplished in a few months what would have taken the bourgeoisie decades to accomplish: the

complete cleansing from France of all traces of feudalism. Yet this regime remained rooted in bourgeois property forms. It was followed by the French Thermidor and the rule of the Directory, to be followed by the classic dictatorship of Napoleon Bonaparte. Napoleon reintroduced many feudal forms, had himself crowned Emperor and concentrated the supreme power in his hands. But nevertheless, we still call this regime bourgeois. With the restoration of Louis XVIII, the regime still remained capitalist. And then we had not one but two revolutions - 1830 and 1848. These revolutions had important social consequences. They resulted in significant changes even in

the personnel of the state itself. Yet we characterise them both as bourgeois political revolutions in which there was no change in the class which held power: the bourgeoisie.

Let us proceed further. After the Paris Commune of 1871 and the shake-up of the social relations which this involved, we had the organisation of the Third Republic with bourgeois democracy which lasted for decades. This was followed by Petain, then the De Gaulle regime, and then a whole array of governments up to the present time. Consider for a moment the amazing diversity of these regimes. To a non-Marxist it would seem absurd to define

in the same category, shall we say, the regime of Robespierre and that of De Gaulle or Chirac. Yet Marxists do define them as fundamentally the same - as capitalist regimes. What is the criterion? Only the one thing: the form of property, the private ownership of the means of production. Take, similarly, the diversity of regimes in more modern times to see the extreme differences in superstructures which are on the same economic base. For instance, compare the regime of Nazi Germany with that of British parliamentary democracy. They are so fundamentally different in political superstructure that many theorists of the non-Marxist or ex-Marxist school have found in fascism a

new class structure and a new system of society entirely. Why do we say that they represent the same class and the same regime? The answer is: despite the difference in superstructure, the economic base of these given societies remains the same.

The transitional state after October

As we have seen, it is impossible to pass directly from capitalism to socialism. Even in an advanced society, a transitional period would be necessary in which the state would continue to exist for a time, along with money and the law of value. But, as Marx explains, the work ing class would not require the

kind of monstrous state that exists under capitalism, but a very simple state, a workers' state, which would begin to disappear from the first day. Two months before the seizure of power, Lenin wrote in *The State and Revolution*:

"The proletariat needs a state - this all the opportunists can tell you, but they, the opportunists, forget to add that the proletariat needs only a dying state - that is, a state constructed in such a way that it immediately begins to die away and cannot help dying away."

A transitional state inevitably has a contradictory character. The Soviet regime was based on the new property

relations that issued from the October Revolution, but still had many elements taken over from the old bourgeois society. The nationalisation of the means of production is the prior condition for moving in the direction of socialism, but the possibility of really carrying society onto a higher stage of human development depends on the level of the productive forces. Socialism presupposes a higher level of technique, labour productivity and culture than even the most developed capitalist society. It is impossible to build socialism on the basis of backwardness.

In *The Revolution Betrayed*, Trotsky explains the dual character of the

transitional state:<

"The bourgeois norms of distribution, by hastening the growth of material power, ought to serve socialist aims - but only in the last analysis. The state assumes directly and from the very beginning a dual character: socialistic, insofar as it defends social property in the means of production; bourgeois, insofar as the distribution of life's goods is carried out with a capitalistic measure of value and all the consequences ensuing there from. Such a contradictory characterisation may horrify the dogmatists and scholastics; we can only offer them our condolences." (Trotsky, *The Revolution Betrayed*, p. 54.)

Only the victory of the revolution in Western Europe, particularly Germany, could have changed this state of affairs. The union of German industry and technique with the huge natural and human resources of Russia in a Socialist Federation would have created the material conditions for the reduction of the working day, the prior condition for the participation of the working class in the running of industry and the state. But the betrayal of the Social Democrats shipwrecked the German Revolution and doomed the Russian Revolution to isolation in a backward country. The victory of the bureaucracy flowed directly from this. From 1920 onwards, the bureaucracy legally or illegally

absorbed part of the surplus value produced by the working class.

This would be the case to some extent even in a healthy workers' state. The officials and managers would receive part of the surplus value, but they would only be entitled to what Marx called "the wages of superintendence". We would have, to use Lenin's expression, "a bourgeois state without the bourgeoisie" or, in Trotsky's expression, a state without Mandarins, a general staff without Samurai. In such a state, the officials would have no special privileges. But given the extremely low level of the productive forces and culture in Russia, the working class was

unable to run the state without the aid of the old Tsarist officials and army officers who from the beginning demanded, and got, salaries far in excess of the average. Given the isolation of the Revolution in a backward country, this was inevitable. This was the fundamental reason why the proletariat was unable to maintain its hold on power. After the end of the civil war, the workers were gradually pushed aside by the upstart officials who felt themselves to be indispensable to the running of society.

Lenin and Trotsky did not envisage a situation where the Revolution could survive for long in the absence of the

victory of the workers of the advanced capitalist countries. They assumed that, under such conditions, the capitalist elements would liquidate the gains of October. This did not take place, although it was possible in the 1920s, particularly in the period of the NEP, when the Bolsheviks were compelled to make big concessions to the rich peasants and the nascent bourgeoisie. Shortly before his last illness, Lenin concluded a bloc with Trotsky to fight against the bureaucracy, which he feared was creating the conditions for the victory of open bourgeois counter-revolution.

In January 1921, Lenin wrote:

"I stated, 'our state is in reality not a workers' state but a workers' and peasants' state.' É On reading the report of the discussion, I now see that I was wrong É I should have said: 'The workers' state is an abstraction. In reality we have a workers' state with the following peculiar features, (1) it is the peasants and not the workers who predominate in the population and (2) it is a workers' state with bureaucratic deformations'." (LCW, Vol. 32, p. 48.)

The question of the class nature of Russia continued to occupy Trotsky's attention right up to his death. How could this type of reaction develop on the basis of a proletarian revolution?

Shortly before his expulsion from the Soviet Union, Trotsky grappled with this question:

"We must say clearly and distinctly: The five years after the death of Lenin were years of social and political reaction. The post-Lenin party leadership became an unwitting, but all the more effective, expression of this reaction, as well as its instrument.

"Periods of reaction, as distinct from those of counter-revolution, arise without changing which class rules. Feudal absolutism knew periods of 'liberal' reform and periods of counter-reform strengthening serfdom. The rule

of the bourgeoisie, beginning with the epoch of the great revolutions, knew alternating periods of stormy advance and periods of retrogression. This among other things determined the succession of different parties in power during various periods of the domination of one and the same capitalist class.

"Not only theory but also the living experience of the last 11 years shows that the rule of the proletariat can go through a period of social and political reaction as well as through a period of stormy advance. Naturally, it is not a matter of reaction 'in general' but of reaction on the basis of the victorious proletarian revolution, which stands

opposed to the capitalist world. The alternation of these periods is determined by the course of the class struggle. The periods of reaction do not change the basis of class rule - that is, they do not signify the passage of power from one class to another (that would mean the counter-revolution) - but they signify that there is a change in the relation of class forces and a regrouping of elements within the class. In our country, the period of reaction that followed the period of powerful revolutionary advance was called forth chiefly by the fact that the former possessing classes, defeated, repulsed, or terrorised, were able, thanks to objective conditions and to the errors

committed by the revolutionary leadership, to gather their forces and pass gradually to the offensive, using mainly the bureaucratic apparatus.

"On the other hand, the victorious class, the proletariat, not supported from without, encountered ever new obstacles and difficulties; it lost the strength and spirit of the first days; differentiation set in, with a bureaucracy emerging at the top and acting more and more in its own interests, and with tired or completely despairing elements breaking off down below. Correlative to the decreased activity of the proletariat came the growing activity of the bourgeois classes, above all, those strata of the

petty bourgeoisie striving to advance by the old ways of exploitation.

"It is unnecessary to demonstrate that all these processes of internal reaction could develop and gain in strength only under conditions of cruel defeats of the world proletariat and an ever stronger position of the imperialist bourgeoisie." (Trotsky, *The Challenge of the Left Opposition* 1928-29, pp. 304-5.)

Thermidor and Bonapartism

There are broad similarities between the processes that occur in revolutions, even when their class nature is different. The comparison between the Russian Revolution and the Great French

Revolution of 1789-94 can shed light on some of the fundamental processes within certain limits. This applies to the use of terms like "Thermidor", which refers to the episode on the 27th July (9th Thermidor, in the old revolutionary calendar) 1794, when the right wing of the revolutionary Jacobins combined with the opportunist Centre (the "Swamp") to overthrow Robespierre, thus beginning the slide towards political reaction which ended in Napoleon's Bonapartist dictatorship. It signified the end of the period of revolutionary ascent and the beginning of a downturn. This is reflected in the fact that, whereas in the period of ascent (from 1789-94) the Terror was directed

almost entirely against the enemies of the revolution and those who wanted to compromise with reaction, after Thermidor, it was directed against the revolutionary wing.

By extension, Thermidor can be taken to signify a point in the revolution where a certain weariness and exhaustion sets in, reflected in a retreat which paves the way for open reaction. In France this occurred when a section of the "Mountain" (the revolutionary wing of the National Convention) became tired of the Terror and the storm and stress of revolution in general. The split in the "Mountain" led to the Thermidorian reaction. In the same way, the origins of

the Stalinist reaction in Russia can be traced to a vague mood among the Soviet officials and petty bourgeois after the end of the civil war that it was time to call a halt to revolutionary innovations and set about "re-establishing order". This mood of reaction was summed up in the theory of socialism in one country. Of course, like every historical analogy, the use of the term Thermidor was only an approximation, and as such had a conditional character. Trotsky in his 1929 articles explained his position as follows:

"I am referring here primarily to the question of Thermidor, and by this very reason, to the question of the class nature

of the Soviet state. The formula of Thermidor is of course a conditional formula, like every historical analogy. Thermidor signals the first victorious stage of the counter-revolution, that is, the direct transfer of power from the hands of one class into the hands of another, whereby this transfer, although necessarily accompanied by civil war, is nevertheless masked politically by the fact that the struggle occurs between the factions of a party that was yesterday united. It indicates the direct transfer of power into the hands of a different class, after which the revolutionary class cannot regain power again except through an armed uprising. The latter

requires, in turn, a new revolutionary situation, the inception of which depends upon a whole complex of domestic and international causes." (Trotsky, *Writings 1929*, pp. 278-9.)

Some years later, in an article entitled *The Workers' State and the Question of Thermidor and Bonapartism*, Trotsky re-evaluated this position on Thermidor. He explained that the analogy of Thermidor had been open to misinterpretation. The ultra-left group of the late Vladimir Smirnov, the Democratic Centralism group, in opposition to the Left Opposition, had stated in 1926 that the proletariat had already lost power and that capitalism

had been restored in Russia. For Trotsky this was totally false and was burying the revolution while it was still alive. Without historical analogies we cannot learn from history. But we must also understand their limits, their similarities and their differences. Such was the case with Thermidor.

"Thermidor in 1794," wrote Trotsky, "produced a shift of power from certain groups in the Convention to other groups, from one section of the victorious 'people' to other strata. Was Thermidor counter-revolutionary? The answer to this question depends upon how wide a significance we attach, in a given case, to the concept of 'counter-

revolution.' The social overturn of 1789 to 1793 was bourgeois in character. In essence it reduced itself to the replacement of fixed feudal property by 'free' bourgeois property. The counter-revolution, corresponding to this revolution, would have had to attain the re-establishment of feudal property. But Thermidor did not even make an attempt in this direction. Robespierre sought his support among the artisans - the Directory among the middle bourgeoisie. Bonaparte allied himself with the banks. *All these shifts - which had, of course, not only a political but a social significance - occurred, however, on the basis of the new bourgeois society and state.*

"Of the very same import was the Eighteenth Brumaire of Bonaparte [this was the new date for 9th November 1799, when Napoleon Bonaparte seized power and created a military dictatorship], the next important stage on the road of reaction. In both instances, it was a question of restoring neither the old forms of property, or the power of former ruling estates; but of dividing the gains of the new social regime among the different sections of the victorious 'Third Estate.' The bourgeoisie appropriated more and more property and power (either directly and immediately, or through special agents like Bonaparte), but made no attempt whatever against the social conquests of

the revolution; on the contrary, it solicitously sought to strengthen, organise and stabilise them. Napoleon guarded bourgeois property, including that of the peasant, against the 'rabble' and the claims of the expropriated proprietors. Feudal Europe hated Napoleon as the living embodiment of the revolution, and it was correct according to its standards." (Trotsky, *Writings 1934-35*, pp. 168-9, my emphasis.)

What we are dealing with here are a series of political counter-revolutions on the same bourgeois property relations. Using this analogy by comparison, Trotsky reveals the character and

dynamics of Stalinism, not as a new class system of exploitation, but as a social parasitism on the workers' state. A political counter-revolution had taken place on the basis of nationalised property forms. The working class had lost political power, but the counter-revolution had not restored the bourgeoisie. The Stalinist bureaucracy itself had usurped political power. It was a product of social contradictions emerging from a workers' state isolated in chronically backward conditions.

The political counter-revolution carried out by the bureaucracy completely liquidated the regime of workers' Soviet democracy, but did not destroy the new

property relations established by the October Revolution. Raising itself above the workers, the bureaucracy sought to regulate these internal contradictions in its own interests. It based itself on the nationalised, planned economy and played a relatively progressive role in developing the productive forces, although, in the words of Trotsky, at three times the cost of capitalism, with tremendous waste, corruption and mismanagement. Far from eradicating these social contradictions, the bureaucracy accumulated new ones. In the end it raised itself above the proletariat and established a regime of bureaucratic absolutism, where the working class was politically

expropriated, without rights or a say in the running of society.

What is Bonapartism?

On the basis of events, Trotsky was able to extend and deepen his analysis of the class nature of the USSR even further, making his definitions more precise. By 1935, he had abandoned the term "centrism" to describe the bureaucracy, and adopted a more suitable definition of its nature: a form of proletarian Bonapartism. In order to understand Trotsky's reasoning, it is first necessary to restate the Marxist theory of the state.

According to Marxists, the state arises as the necessary instrument for the

oppression of one class by another class. The state can be defined in various ways. One of the most common ways for Marxists to do so is by referring to the state as "armed bodies of men in defence of private property". In the last analysis, all forms of state are reduced to this. But in practice, the state is much more than the army and the police. The modern state, even under capitalism, is a bureaucratic monster, an army of functionaries absorbing a huge amount of the surplus value produced by the working class. From that point of view, there is a germ of truth in the arguments of the monetarists, whose demand for cutting down the state is a modern echo of the demand of the nineteenth century

liberals for "cheap government". Of course, as Marx explains in *The Civil War in France*, the only way to get cheap government is by the revolutionary abolition of the bourgeois state, and the setting up of a workers' state, or semi-state, like the Paris Commune.

Marx, Engels and Lenin all explained that the state is a special power, standing above society and increasingly alienating itself from it. As a general proposition, we can accept that every state reflects the interest of a particular ruling class. But this observation does not at all exhaust the question of the specific role of the state in society. In

reality, the state bureaucracy has its own interests, which do not necessarily and at all times correspond to those of the ruling class, and may even come into open collision with the latter. The state in the last analysis, as explained by Marx and Lenin, consists of armed bodies of men and their appendages. That is the essence of the Marxist definition. However, one must be careful in using their broad Marxist generalisations, which are undoubtedly correct, in an absolute sense. Truth is always concrete but if one does not analyse the particular ramifications and concrete circumstances, one must inevitably fall into abstractions and errors. Look at the cautious way in

which Engels deals with the question, even when generalising. In *The Origins of the Family, Private Property and the State*, Engels writes:

"But in order that these antagonisms, classes with conflicting economic interests, shall not consume themselves and society in fruitless struggle, a power, apparently standing above society, has become necessary to moderate the conflict and keep it within the bounds of 'order,' and this power, arisen out of society, but placing itself above it and increasingly alienating it self from it, is the State." (MESW, *The Origins of the Family, Private Property and the State*, by Engels, p. 194.)

And later he adds:

"ÉIt is enough to look at Europe today, where class struggle and rivalry in conquest have brought the public power to a pitch where it threatens to devour the whole of society and even the state itself."

Engels goes on to show that once having arisen, the state within certain limits, develops an independent movement of its own and must necessarily do so under given conditions: "In possession of the public power and the right of taxation, the officials now present themselves as organs of society standing above society.

"As the state arose from the need to keep

class antagonisms in check, but also arose in the thick of the fight between the classes, it is normally the state of the most powerful, economically ruling class, which by its means becomes also the political ruling class, and so acquires new means of holding down and exploiting the oppressed class

Exceptional periods, however, occur when the warring classes are so nearly equal in forces that the state power, as apparent mediator, acquires for the moment a certain independence in relation to both" (Ibid., p. 196, my emphasis.)

Again Engels says that:

"The central link in civilised society is the state, which in all typical periods is without exception the state of the ruling class, and in all cases continues to be essentially a machine for holding down the oppressed, exploited class" (Ibid., p. 201, my emphasis.)

Note the extremely careful, scientific way in which Engels expresses himself. "*In all typical periods*", "*it is normally the state of the most powerful, economically ruling class*", etc. Engels clearly understood that there were untypical and abnormal situations in which this general principle of Marxist theory could not be applied. This dialectical approach to the question of

the state was developed by Marx in *The 18th Brumaire of Louis Bonaparte*, where he explains the phenomenon of Bonapartism, in which the relationship between the state and the ruling class does not correspond to the norm. Marx pointed out how the drunken soldiery of Louis Bonaparte, in the name of "the law, order and the family", shot down the bourgeoisie whom they presumably represented. Were the bourgeoisie under Louis Bonaparte the ruling class? It does not require a profound knowledge of Marxism to answer this question. The bare generalisation "armed bodies of men" does not take into account either bourgeois or proletarian Bonapartism. If we take the history of modern society,

we get many examples where the bourgeoisie is expropriated politically and yet remains the ruling class. This is what we call Bonapartism, or as Marx calls it, "the naked rule by the sword over society". Let us consider some examples.

In China after Chiang Kai-shek had crushed the Shanghai working class with the aid of the dregs of the Shanghai gangs in 1927, the bankers organised banquets in his honour, and applauded him as the benefactor and saviour of civilisation. But Chiang wanted something more material than the praise of his masters. Unceremoniously, he clapped all the rich industrialists and

bankers of Shanghai in jail and extracted a ransom of millions before he would release them. He had done the job for them and now demanded the price. He had not crushed the Shanghai workers for the benefit of the capitalists, but for what it meant in power and income for him and his gang of thugs. Yet who will presume to say that the bankers who were in jail were not still the ruling class though they did not hold political power? The Chinese bourgeoisie must have reflected sadly on the complexity of a society where a good portion of the loot in the surplus value extracted from the workers had to go to their own watchdogs and where many of their class were languishing in jail.

The bourgeoisie is politically expropriated under such conditions; naked force dominates society. An enormous part of the surplus value is consumed by the top militarists and officials. But it is in the interests of these bureaucrats that the capitalist exploitation of the workers should continue, and therefore while they squeeze as much as they can out of the bourgeoisie, nevertheless, they defend private property. *That is why the bourgeoisie continues to be the ruling class, although it has lost direct political power.* Here lies the answer to those advocates of state capitalism who assert that it is sophistry to claim that Russia was a deformed workers' state, and the

Soviet working class could be a ruling class when they were under the heel of Stalinism and a proportion of them were in labour camps. Unless we are guided by the basic property forms of society we will lose our bearings completely.

Many examples could be given in history of the way in which one section of the ruling class has attacked other sections and the state has risen above society. For example, in the wars of the Roses in Britain, the two factions of the ruling barons virtually exterminated one another. At one time or another big sections of the ruling class were either in jails or were executed, and the throne occupied by adventurers of one gang or

another. Finally, a new dynasty emerged, the Tudors, which balanced between the classes to establish an absolutist regime. Analogous processes occurred in other countries. What was the class nature of absolutism? These absolute monarchs, in an attempt to consolidate themselves as a power standing above society, and increasingly alienating themselves from it, frequently leaned on the nascent bourgeoisie to strike blows against the feudal nobility. Yet the class nature of the regime remained feudal. It was determined by existing property relations, not by the political configuration of the government. A similar situation existed in the period of decay of slave society. The Roman

emperors rose above society and viciously oppressed the ruling class, the slave owners, who found themselves looted by taxation, arrested, tortured and murdered by the emperors, who were "elected" by the Praetorian Guard. In fact, Marx originally used the term "Caesarism" to describe this phenomenon. Yet this fact did not change one iota the class nature of the Roman state as a slave state. And the slave owners remained the ruling class even under the iron heel of Caesarism.

As Trotsky explains, following the classical analysis of Marx, Engels and Lenin: "Caesarism, or its bourgeois form, Bonapartism, enters the scene in

those moments of his tory when the sharp struggle of two camps raises the state power, so to speak, above the nation, and guarantees it, in appearance, a complete independence of classes - in reality, only the freedom necessary for a defence of the privileged." (L. Trotsky, *The Revolution Betrayed*, p. 277.)

In the present century, in the period of capitalist decay, we have seen the phenomenon of fascism, which differs from Bonapartism in its origins, but also has many things in common with it. A fascist regime, unlike Bonapartism, comes to power on the backs of a mass movement composed of the enraged petty bourgeoisie and lumpenproletariat.

Once in power, however, it rapidly loses its mass base and becomes a Bonapartist regime, leaning on the army and the police. Trotsky likened the Nazi bureaucracy in Germany to the "Old Man of the Sea" who sits on the shoulders of the bourgeoisie, and, in return for guiding it on the road to safety, at the same time abuses it, spitting on its bald patch and digging its spurs in its sides.

In *In Defence of Marxism*, Trotsky outlines the difference between Bonapartism and fascism:

"The element which fascism has in common with the old Bonapartism is that it used the antagonisms of classes in

order to give to the state power the greatest independence. But we have always underlined that the old Bonapartism was in a time of an ascending bourgeois society, while fascism is a state power of the declining bourgeois society." (Trotsky, *In Defence of Marxism*, p. 227.)

One has only to consider Hitler's treatment of his capitalist opponents. The Nazis, who defended capitalist property relations, not only robbed the bourgeois and confiscated their property, but also occasionally executed them. Of course, there is no doubt that the class nature of the Nazi state was bourgeois. But, on the other hand, the German

bourgeoisie lost control of the state, which fell into the hands of Hitler's irresponsible and criminal adventurers, who used it for their own advantage. Here the relation between the state and the ruling class is dialectical and contradictory. In fact, by 1943, the interests of the ruling class in Germany were in open conflict with the state. By that time, Germany had already lost the war. It was in the interests of the ruling class to arrive at a peace with Britain and America, in order to wage war against the Soviet Union. But surrender would have been the death sentence for the Nazi clique that controlled the state. The German bourgeoisie tried, and failed, to remove Hitler by a military

coup (the generals' plot). Hitler fought the war to the bitter end, and Germany paid the price with the loss of its eastern half to Stalinist Russia.

Stalinism: a form of Bonapartism

In dealing with the role of the state, the most important question that must be answered is this: which class does it represent? The state must be an instrument of a class - *which class did it represent in Russia?* It could not represent the capitalist class because they were expropriated in 1917. It cannot be argued that it represented the interests of the peasant class, or the petty owners in the cities. It clearly

represented the interests of the Stalinist bureaucracy. *But as a special form of proletarian Bonapartism, in the last analysis, it represented the working class in so far as it defended the nationalisation of the means of production, planning and the monopoly of foreign trade.*

Under a fascist or Bonapartist regime, as we have seen, even though these gangsters might have the bourgeoisie by the throat, nevertheless there remains a capitalist class in whose interests the economy as a whole operates and on to which this parasitic excrescence clings. Some formalists say that the Soviet bureaucracy constituted a new ruling

class in Russia. But serious consideration of this would show that this could not be the case. *What they are saying is that the state is a class.* The bureaucracy "owned" the state, the state "owned" the means of production, therefore the bureaucracy "owned" the means of production, and was therefore a ruling class. But this is simply dodging the issue. The premise is false. The bureaucracy does not own the state. *They are saying, in effect, that the state owns the state.* Thus, the attempt to solve the matter through the method of formal logic ends in a *pure tautology*, which solves nothing at all.

Was the bureaucracy then the ruling class

in Soviet society? This argument is clearly unsound. In capitalist society, or in any class society, no matter how privileged the top officials may be, they wield the instrument to protect the ruling class which has a direct relationship to the means of production, *through their ownership*. We know who Napoleon represented. We know who Louis Bonaparte, Bismarck, Chiang Kai-shek, Hitler, Churchill and De Gaulle represented. But who did the Stalinist bureaucrats represent? Themselves? This is clearly false. The state by its very nature is composed of bureaucrats, officers, generals, heads of police, etc. But these individuals do not constitute a ruling class; they are the instrument of a

class even if they may stand in antagonism to that class. They cannot themselves be a class. The bureaucracy consists of millions of individuals at different levels in the state apparatus. There is the petty local official and there are the high ranking dignitaries. So which section of the bureaucracy would "own" the state? It cannot be all the bureaucrats, because they (the bureaucracy itself) are hierarchically divided. The little civil servant is part of the bureaucracy as much as the big bureaucrat.

In his work *Germany, the Only Road*, Trotsky deals with this question of Bonapartism as follows:

"In its time, we designated the Brüning government as Bonapartism ('a caricature of Bonapartism'), that is, as a regime of the military police dictatorship. As soon as the struggle of two social strata - the haves and the have-nots, the exploiters and the exploited - reaches its highest tension, the conditions are given for the domination of bureaucracy, police, soldiery. The government becomes 'independent' of society. Let us once more recall: if two forks are stuck symmetrically into a cork, the latter can stand even on the head of a pin. That is precisely the schema of Bonapartism. To be sure, such a government does not cease being the clerk of the property

owners. Yet the clerk sits on the back of the boss, rubs his neck raw and does not hesitate at times to dig his boots into his face.

"It might have been assumed that Brüning would hold on until the final solution. Yet, in the course of events, another link inserted itself: the Papen government. Were we to be exact, we should have to make a rectification of our old designation: the Brüning government was a pre-Bonapartist government. Brüning was only a precursor. In a perfected form, Bonapartism came upon the scene in the Papen-Schleicher government." (Trotsky, *Germany, The Only Road*, in *The*

Struggle Against Fascism in Germany,
p. 276.)

The Bonapartism in the epoch of decay and crisis differs from the Bonapartism of capitalism's youth. It can take many forms, involving different combinations, depending on the concrete conditions. The rule of Napoleon or Oliver Cromwell - a classical Bonapartism - was based upon the emergence of bourgeois society. The Bonapartism at the stage of capitalism's rise is strong and confident. Under the conditions of a powerful development of the productive forces, it attains a certain stability. But the Bonapartism of capitalism's decline is affected by senility. Rising out of the

crisis of capitalist society, it cannot solve any of the problems with which it is faced. The crisis of the inter-war period gave rise to a whole host of Bonapartist regimes, attempting to balance between the forces of revolution and counter-revolution. In the ex-colonial world, given the weakness of bourgeois democracy, again many of these regimes are Bonapartist in character. Here we see periods of weak parliamentary rule giving way to military dictatorship.

In contrast fascist rule represents the complete political expropriation of the bourgeoisie. All democratic rights are crushed. The capitalist class hands over

all power into the hands of the fascist upstarts which use the mass forces of the frenzied petty bourgeois as a battering ram against the working class. The proletariat, on the basis of fascist rule is completely atomised.

"There are elements of Bonapartism in fascism," states Trotsky. "Without this element, namely, without the raising of state power above society owing to an extreme sharpening of the class struggle, fascism would have been impossible. But we pointed out from the very beginning that it was primarily a question of Bonapartism of the epoch of imperialist decline, which is qualitatively different from Bonapartism

of the epoch of bourgeois riseÉ The ministries of Brüning, Schleicher, and the presidency of Hindenburg in Germany, Petain's government in France - they all have proved, or must prove, unstable. In the epoch of imperialist decline a pure Bonapartist Bonapartism is completely inadequate; imperialism finds it indispensable to mobilise the petty bourgeois and to crush the proletariat under its weight." (Trotsky, *Writings 1939-40*, p. 410.)

Innumerable references could be given to show that a capitalist state presupposes private property - individual ownership of the means of production. The state is the apparatus of

rule: it cannot itself be the class which rules. The bureaucracy is merely part of the apparatus of the state. It may "own" the state, in the sense that it lifts itself above society and becomes relatively independent of the economically dominant class, i.e., the ruling class. That was the case in Nazi Germany, where the bureaucracy dictated to the capitalists what they should produce, how they should produce it, etc., for the purposes of war. So with the war economy of Britain, USA and elsewhere, the state dictated to the capitalists what and how they should produce. This did not convert them into a ruling class. Why? Because these measures were in defence of private property and in the

interests of the capitalist class as a whole.

Clearly, the bureaucracy manages and plans industry. But whose industry do they manage and plan? In capitalist society, the managers plan and manage industry in the individual enterprises and trusts. But it does not make them the owners of those enterprises and trusts. The nationalised industries in Britain, for instance, were run by a managerial bureaucracy, but they were not the owners of these industries. They were owned by the state - the capitalist state - and run in the interests of the capitalist economy as a whole. The bureaucracy in the USSR managed the entire industry. In

that sense it is true that it had more independence from its economic base than any other bureaucracy or state machine in the whole of human history. But as Engels emphasised and we must re-emphasise, in the final analysis, the economic basis is decisive.

Bourgeois sociologists resort to arbitrary definitions in order to characterise all sorts of social groupings and sub-groupings as classes, obscuring the real class basis of society. By contrast, Marxism defines a class in terms of property relations. To argue that their function as managers somehow makes the bureaucrats into a ruling class makes no sense at all. It certainly has

nothing in common with the Marxist definition of a capitalist class. The bureaucracy, in its role as a managerial stratum, did play a role in production, in the same way as managers in capitalist enterprises do. But there is a fundamental difference. Managers in the West work for private owners of industry (or for the bourgeois state, which operates as the handmaiden of the private sector). They do not own industry, and do not constitute a separate social class.

As managers, they are entitled to what Marx called "the wages of superintendence", and nothing more. Exactly the same is true of the managers

in a workers' state, including a healthy workers' state for that matter, where in the transitional period there would still be a differential between the wages of skilled and unskilled labour. But what characterised the Stalinist bureaucracy was that it devoured a colossal part of the wealth produced by the working class. This had nothing whatever to do with its managerial functions, or the "wages of superintendence".

If they take more, it is in the same way as the fascist or Bonapartist bureaucracy consume part of the surplus value produced by the workers. But they are not a class in the Marxist sense of the word, but a *parasitic caste*. "In its

intermediary and regulating function," states Trotsky, "its concern to maintain social rank, and its exploitation of the state apparatus for personal goals, the Soviet bureaucracy is similar to every other bureaucracy, especially the fascist. But it is also in a vast way different. In no other regime has a bureaucracy ever achieved such a degree of independence from the dominating class." (Trotsky, *The Revolution Betrayed*, p. 248.)

The privileges of the Stalinist bureaucracy began precisely where its productive functions (such as they were) ended. In fact, they arose, not in the sphere of production at all, *but in that of distribution*. Under conditions of

general poverty, it was necessary to decide who received what. Trotsky compares this to a queue outside a baker's shop. If there is a shortage of bread, and the queue is a long one, it can become unruly. A gendarme is necessary to keep the queue in order, and make sure everyone gets his share. In the process, it often happens that the gendarme takes more than anyone else. This may not create the most favourable attitude towards the gendarme. But it certainly does not make him into a ruling class in the Marxist sense of the word!

The Stalinist bureaucracy was not a new ruling class, as argued by J. Burnham, M. Shachtman, M. Djilas, J. Kuron and

T. Cliff (in company with the bourgeois and the Labour rightwing), *but a parasitic caste, which plays no necessary role in the production process.* Precisely for this reason, meaningful reform from the top is ruled out. The ignorant Polish "dissident" intellectuals reasoned that if free trade unions were possible under capitalism, why should they not be allowed by "state capitalism"? Indeed for the capitalists under normal circumstances, bourgeois "democracy" (i.e. formal democracy, in which the workers are permitted certain rights, but where the banks and monopolies ultimately decide what happens) is the most economic and secure form of government, far

preferable to the monstrous waste and looting of the state which occurs under fascism or Bonapartism. But under Stalinism, democratic rights immediately threaten the position of the bureaucracy. Formal democracy and Stalinism are incompatible.

Trotsky was very firm in his view that the bureaucracy was not a new ruling class. In a polemic with a French supporter Yvan Craipeau in 1937 he explains: "This time he draws his smashing argument from a statement in *The Revolution Betrayed* to the effect that 'all the means of production belong to the state, and the state belongs, in some respect, to the bureaucracy.'

Craipeau is jubilant. If the means of production belong to the state, and the state to the bureaucracy, the latter becomes the collective proprietor of the means of production and by that alone, the possessing and exploiting class. The remainder of Craipeau's argument is almost purely literary in character. He tells us once again, with the air of polemicising against me, that the Thermidorian bureaucracy is evil, rapacious, reactionary, bloodthirsty, etc. A real revelation! However, we never said that the Stalinist bureaucracy was virtuous! We have only denied it the quality of a class in the Marxist sense, that is to say, with regard to ownership of the means of production." (Trotsky,

Writings 1937-38, p. 36.)

The state is the instrument of class rule, of coercion, a glorified policeman. But the policeman is not the ruling class. The police can become unbridled, can become bandits, but that does not convert them into a capitalist, feudal or slave-owning class. The character of the bureaucracy as a parasite is shown by the fact they are forced to pretend they do not exist as a privileged stratum. In the words of Trotsky: "Its appropriation of a vast share of the national income has the character of social parasitism." It enjoys its privileges under the form of an abuse of power. It conceals its income. "The biggest apartments, the juiciest

steaks, and even Rolls Royces are not enough to transform the bureaucracy into an independent ruling class," commented Trotsky. (Trotsky, *Writings 1933-34*, p. 113.)

The workers' democracy under Lenin and Trotsky was replaced by the bureaucratic regime of Stalin. Although the political forms are radically different from those of the initial years of the revolution, what remained was the nationalised property relations. It was this fact - the existence of a nationalised planned economy - that defined the basic class nature of the Soviet Union. It was a workers' state that had become horribly deformed by a bureaucratic counter-

revolution. "A tumour can grow to tremendous size and even strangle the living organism, but a tumour can never become an independent organism," remarked Trotsky. (Ibid., p. 19.)

The Soviet bureaucracy was similar to other bureaucracies, especially the fascist bureaucracy, with one very important difference. The fascist bureaucracy rested on the private ownership of the means of production, and was the most monstrous expression of a regime of decline. The Stalinist bureaucracy rested on the new property forms established by the revolution, which for a whole period demonstrated a colossal vitality. Until recently, the

Russian bureaucracy was compelled to defend state property as the source of its power and income. This fact alone enabled it to play a relatively progressive role in developing the productive forces. However, even in the best period, it remained a parasitic growth on the workers' state, the source of endless waste, corruption and mismanagement. It had all the vices, but none of the historical virtues of a ruling class.

As Trotsky put it: "If the Bonapartist riffraff is a class this means that it is not an abortion but a viable child of history. If its marauding parasitism is 'exploitation' in the scientific sense of

the term, this means that the bureaucracy possesses a historical future as the ruling class indispensable to the given system of economy." (Trotsky, *In Defence of Marxism*, p. 24, New York, 1970.) This is clearly not the case. Without doubt, the Soviet economy has taken massive strides forward, but this impulse was not due to the bureaucracy as such, but the nationalised planned economy. The bureaucracy has become a massive brake on the technical and cultural development of Russia. At best, the Soviet bureaucracy played a relatively progressive role in developing heavy industry, but with tremendous wastage.

The state under Stalin had nothing in

common with that of October, except state ownership and planning. Every gain of the revolution aimed at the introduction of workers' administration and control of industry and the state was abolished. The bureaucracy had complete control. The so-called elections were a farce, in which the candidates of a single party were regularly elected with 99 per cent of the votes - something which is even technically impossible (people sometimes move house, and even die). The working class was at the mercy of the bureaucracy, subject to arbitrary dismissal, exile, arrest, confinement in mental hospitals, and all the other methods whereby a totalitarian state

maintains its people in a state of all-pervading fear. In addition to the usual organs of repression, the bureaucracy had the services of an army of spies, informers and trusties, present in every workshop, office, classroom or block of flats.

It is true that in later years, especially after Stalin's death, big reforms were introduced, which led to rising living standards, better social services, and so on. But at all times, control remained firmly in the hands of the bureaucracy. Such reforms that were made always came from the top, and did not in any way modify the fundamental relationship between the working class and the ruling

caste. There was no element of workers' democracy whatsoever.

'Bureaucratic collectivism'?

Did Stalinist Russia represent some new form of society not envisaged by Marx or Lenin? Clearly if Stalinism is not socialism, a society based upon the harmonious satisfaction of human needs, what does it represent? Some have looked at the Soviet Union, been repulsed by the Purge trials, the labour camps, and the monstrous frame-ups, and the general totalitarian nature of the regime and drawn the conclusion that Stalinism is a new exploitative society with its own bureaucratic ruling class.

There have been many descriptions given to this conclusion from "bureaucratic collectivism" (Bruno Rizzi and Max Shachtman) to "state capitalism" (Tony Cliff). In reality, these conceptions are all false from beginning to end.

The theory of state capitalism was based on the idea that the Stalinist political counter-revolution in Russia signified a new stage in capitalism. This did not differ in any essential way from "ordinary" capitalism. The bureaucracy was alleged to be a new ruling class. The Soviet economy was supposed to obey the normal laws of capitalism, and so forth. However, such an argument

immediately found itself entangled in a host of contradictions. To look no further, we must point out that, if the Soviet Union was capitalist (or state capitalist, it makes no real difference to the substance of the argument), then it had to have the same law of motion as capitalism - i.e., *booms and slumps*. However much you twist and turn, you will not find any such phenomenon. Thus, the adoption of a false theory necessarily leads to the abandonment of the basic standpoint of Marxism. Here we have a kind of capitalism which has succeeded in eliminating the fundamental contradiction of a market economy - a capitalism without unemployment, capable of developing the means of

production at unheard-of rates of growth, uninterrupted by crises of overproduction.

Such a conclusion would inevitably require us to revise all the basic postulates of Marxism - if it were true. But it is not true. The whole conception rests upon a complete misunderstanding of the Marxist theory of the state, the class nature of society and the transitional period. The general schema of Marx and Lenin as to how the transition from capitalism to socialism would unfold is undoubtedly correct, in general. But the truth is always concrete. It is not possible to understand complex and contradictory social phenomena on

the basis of theoretical generalities alone. These can provide a useful framework and starting-point, but one can only grasp the nature of the thing itself by a careful analysis of the facts and processes, in an all-rounded way, bringing out all the contradictory tendencies. By contrast, the attempt to marshall facts to justify a preconceived definition necessarily ends in an abortion.

What strikes one about the theory of state capitalism in all its varieties is its completely arbitrary character. Far from solving anything, it leads to a mass of new contradictions. Trotsky's explanation of Stalinism as a deformed

workers' state, a form of proletarian Bonapartism, so much simpler and completely in accord with Marxist theory, closely corresponds to everything which we have witnessed in the USSR from the death of Lenin to the fall of the Berlin Wall. By accepting this standpoint, we do not need to revise the basic ideas of Marxism, which alone provide us with a scientific understanding and a guide to action in the new situation.

It is not possible to grasp a living, developing process by means of abstract definitions and formal logic. As Trotsky explained: "The fundamental flaw of vulgar thought lies in the fact that it

wishes to content itself with motionless imprints of a reality which consists of eternal motion. Dialectical thinking gives to concepts, by means of closer approximations, corrections, concretisation, a richness of content and flexibility; I would even say a succulence which to a certain extent brings them close to living phenomena. Not capitalism in general, but a given capitalism at a given stage of development. Not a workers' state in general, but a workers' state in a backward country in an imperialist encirclement, etc." (Trotsky, *In Defence of Marxism*, pp. 65-6.)

The theories of state capitalism in

Russia go back a long way. The theory of bureaucratic collectivism to describe the USSR was put forward by Bruno Rizzi and Max Shachtman more than 50 years ago. In his book *La Bureaucratisation du Monde*, Bruno Rizzi explains: "In our opinion, the USSR represents a new type of society led by a new social class: that is our conclusion. Collectivised property actually belongs to this class which has introduced a new - and superior - system of production. Exploitation is transferred from the individual to the class." (B. Rizzi, *La Bureaucratisation du Monde*, p. 31.)

Again: "In our opinion, in the USSR, the

property owners are the bureaucrats, for it is they who hold force in their hands. It is they who direct the economy as was usual amongst the bourgeoisie; it is they who appropriate the profits to themselves, as was usual amongst all exploiting classes, and it is they who fix wages and the prices of goods: once again, it is the bureaucrats." (Ibid., p. 56.) Rizzi concludes: "Exploitation occurs exactly as in a society based on slaveryÉ The Russian working class are no longer proletarians; they are merely slaves. It is a class of slaves in its economic substance and in its social manifestations." (Ibid., pp. 72-4.) Ironically, he later concludes that on the basis of increased productive

development this bureaucratic collectivism will end up in a "classless society and socialism".

For good measure, he also lumps in Hitler Germany as bureaucratic collectivist. The whole of Bruno Rizzi's argument is completely unscientific. The Soviet bureaucrats were not property owners, in the sense of owning the means of production. They owned no stocks or shares. Nor could they hand down any property as such through inheritance. They certainly did not own the working class as the slave-owners of Rome owned their slaves. How such a class society could then develop into socialism remains a mystery. However,

these outlandish ideas were taken up by James Burnham, who achieved fame as the author of *The Managerial Revolution*, which equated Stalinism with Fascism and the New Deal.

Burnham also gained notoriety as an open advocate of atomic war against the USSR. At bottom, all this reflected the deep pessimism and despair of a layer of middle class intellectuals as a result of the defeats of the working class. The notion of bureaucratic collectivism, was more than a theory, it was the expression of the mood of this layer, which was most vividly conveyed by the nightmarish vision of the future in the pages of George Orwell's *Nineteen Eighty-Four*.

Max Shachtman also adopted the theory of bureaucratic collectivism after breaking from the Trotskyist movement in 1940. "It is a cruel realisation of the prediction made by all the great socialist scientists, from Marx and Engels onwards, that capitalism must collapse out of an inability to solve its own contradictions and that the alternatives facing mankind are not so much capitalism or socialism as they are: *socialism or barbarism*. Stalinism is that new barbarism," states Shachtman. (Max Shachtman, *The Bureaucratic Revolution*, p. 32.) Shachtman also went so far as to maintain that the workers of the USSR were not workers at all, but slaves of the bureaucratic state. Despite

this, at the time, he regarded this bureaucratic collectivism as more progressive than capitalism.

According to the resolution on Russia passed at the 1941 Convention of his organisation, the Workers' Party: "From the standpoint of socialism, the bureaucratic collectivist state is a reactionary social order; in relation to the capitalist world, it is on an historically more progressive plane."

This was really an attempt by Shachtman to justify his accommodation to American petty bourgeois public opinion which had become deeply anti-Stalinist after 1939. Eventually, he shifted further to the right and ended up as a supporter

of US foreign policy. The theory of bureaucratic collectivism subsequently fell into disuse as a description of the USSR.

The theory of state capitalism, on the other hand, continued to be put forward in certain quarters. Its most recent contemporary exponent is Tony Cliff in his book *Russia: A Marxist Analysis* (1964) republished as *State Capitalism in Russia* (1974). This work is based upon an earlier version entitled *The Nature of Stalinist Russia* published in June 1948. Given its theoretical weaknesses, and the criticism of this work made by ourselves at the time, its arguments were later modified. Initially,

Cliff argued that Russia had undergone a transformation in 1928, the first year of the Five-Year Plans, from a deformed workers' state to state capitalism because it can be conclusively "be said that with the introduction of the Five-Year Plans, the bureaucracy's income consisted to a large extent of surplus value". (T. Cliff, *The Nature of Stalinist Russia*, p. 45.)

However, this key argument was dropped after it was made clear to Cliff that *from 1920 onwards*, the bureaucracy had consumed a great part of the surplus value produced by the working class, legitimately and illegitimately. As Marx had correctly explained, in a workers'

state in the transitional period, the production of surplus value would be used for the speedy building up of industry and so prepare the way for the quickest possible transition to equality and then complete communism. No Marxist could maintain that the class nature of the Soviet state had changed because of this. Tony Cliff unceremoniously abandoned this argument without any explanation and subsequently developed new ones in an attempt to strengthen his theory of state capitalism. This summed up his whole eclectic approach to this question for the past 40 odd years.

Trotsky on 'state capitalism'

The theories of bureaucratic collectivism and state capitalism were demolished by Trotsky in the 1930s. The prime question for Trotsky in understanding Stalinism was the Marxist method. Far from being rigid and formalistic, as Tony Cliff claimed, Trotsky was scrupulously dialectical in his analysis of Stalinism, meticulously examining the contradictory features of the process unfolding at each stage. For him, the process was not simply black or white, but far more complicated and complex. He was not looking for nice neat categories to satisfy the laws of formal logic, but sought out the contradictory reality of what was actually taking place within the Soviet

Union.

Cliff's method was totally different. In a most shallow way, he examined the surface characteristics of Stalinism in Russia and then drew a superficial analogy with certain aspects of capitalism, without understanding the real nature of the Soviet Union and the contradictory processes taking place within it. Without doubt there were similarities with capitalism, but there were also fundamental differences. "In Russia the horrors of forced industrialisation, of brutal collectivisation of the peasantry, the deprivation of workers' rights to organise in trade unions or to strike, the

police terror, all were byproducts of an unprecedented rate of capital accumulation," states Cliff. (Binns, Cliff and Harman, *Russia: From Workers' State to State Capitalism*, p. 11.) These features of Stalinism existed, but they were not due to the primitive accumulation of some alleged state capitalist society.

Trotsky explained these developments, not as the result of the workings of capitalist economic laws, but arising from the actions of the Stalinist bureaucracy attempting to consolidate its privileged position by catching up with the West. Other bureaucracies have acted in a similar ruthless fashion - for

example, the Nazi bureaucracy, which sought world domination. However, this fact did not change the class nature of the regime. Given Cliff's fundamentally different approach, he rightly concludes: "Our analysis of the class nature of Russia under Stalin, and today, differs from that made by Leon Trotsky." (Ibid., p 12.) The point is that Trotsky was correct in his method and analysis, and Cliff is wrong.

Tony Cliff asserts that the Stalinist bureaucracy is a new ruling class, but nowhere in his writings is a real analysis made or evidence adduced as to why and how such a class constitutes a capitalist class. This is not accidental, it

flows from his method. Starting off with the preconceived idea of state capitalism, everything is artificially fitted in to that conception. Instead of applying the theoretical method of Marxism to Russian society in its process of motion and development, he has scoured the works of the great Marxists to gather quotations and attempted to compress them into a new theory.

The main criterion for Marxists in analysing social systems is this: Does the new formation lead to the development of the productive forces? Cliff skirts around this question by false comparisons of individual capitalist

growth rates and the fact that world industrial production has actually grown since 1891. But what needs to be compared is the growth rate of the Soviet Union and the rest of the capitalist world. The theory of Marxism is based on the material development of the forces of production as the moving force of historical progress. The transition from one system to another is not decided subjectively, but is rooted in the needs of production itself. It is on this basis and this basis alone that the superstructure is erected: of state, ideology, art, science and government. It is true that the superstructure has an important secondary effect on production and even within certain limits, as Engels

explained, acquires its own independent movement. But in the last analysis, the development of production is decisive.

Marx explained the historical justification for capitalism, despite the horrors of the industrial revolution, despite the slavery of the blacks in Africa, despite child labour in the factories, the wars of conquest throughout the globe - by the fact that it was a necessary stage in the development of the forces of production. Marx showed that without slavery, not only ancient slavery, but slavery in the epoch of the early development of capitalism, the modern development of production would have been impossible.

Without that the material basis for socialism could never have been prepared. In a letter to P.V. Annenkov, 28th December 1846, Marx wrote:

"Direct slavery is just as much the pivot of bourgeois industry as machinery, credits, etc. Without slavery you have no cotton; without cotton you have no modern industry, it is slavery that has given the colonies their value; it is the colonies that have created world trade, and it is world trade that is the precondition of large-scale industry. Thus slavery is an economic category of the greatest importance.

"Without slavery North America, the

most progressive of countries, would be transformed into a patriarchal country. Wipe out North America from the map of the world, and you will have anarchy - the complete decay of modern commerce and civilisation." (MESW, Letter - Marx to P.V. Annenkov in Paris, Vol. 1, pp. 523-4.)

Of course, the attitude of Marx towards the horrors of slavery and the industrial revolution is well known. It would be a gross distortion of Marx's position to argue that because he wrote the above, therefore he was in favour of slavery and child labour. Similarly, no more can it be argued against the Marxists that because they supported state ownership

in the USSR that they therefore justified the slave camps and other crimes of the former Stalinist regime. Marx's support of the German ruler Bismarck in the Franco-Prussian war was dictated by similar considerations. In spite of Bismarck's "blood and iron" policy and the reactionary nature of his regime, because the development of the productive forces would be facilitated by the national unification of Germany, Marx gave critical support for the war of Prussia against France. The basic criterion was the development of the productive forces. In the long run, all else flows from this.

Any analysis of Russian society must

start from that basis. Once Cliff admits that while capitalism was declining and decaying on a world scale, yet preserving a progressive role in Russia in relation to the development of the productive forces, then logically he would have to say that state capitalism is the next stage forward for society, or at least for the backward countries. Contradictorily, he shows that the Russian bourgeoisie was not capable of carrying through the role which was fulfilled by the bourgeoisie in the West and consequently the proletarian revolution took place.

If we say that there was state capitalism in Russia (ushered in by a proletarian

revolution), then it is clear that the crisis of capitalism is not insoluble but only the birth pangs of a new and higher stage of *capitalism* (state capitalism). The quotation that Cliff himself gives from Marx - that no society passes from the scene till all the possibilities in it have been exhausted - would indicate that if his argument is correct, a new epoch, the epoch of state capitalism, would have opened up before us. The idea of Lenin that imperialism was the highest stage of capitalism would be false. The whole of Marxism would have to be revised from beginning to end.

'A trade union in power'

In dealing with "state capitalism", we see the kind of fetishism of which Marx spoke and which can even affect the revolutionary movement - change the name of a thing and you change its essence! Trotsky described it as "terminological radicalism". But sticking these labels on to the phenomenon of Stalinism does not change the character of the regime. Such a method has nothing in common with Marxism. As a matter of fact, *if the idea of state capitalism or bureaucratic collectivism is correct, then the whole theory of Marx becomes a Utopia.* Let us proceed from fundamental propositions. According to the theory of Marx, no society passes from the scene of history till it has

exhausted all the potentialities within it. For a whole historical period, the Soviet regime made unexampled strides forward, much greater than anything seen in the West. We have the absurdity of a new revolution, according to the advocates of state capitalism, a proletarian revolution in 1917, changing the economy into - state capitalism. As Trotsky explained: "An attempt has been made to conceal the enigma of the Soviet regime by calling it 'state capitalism'. This term has the advantage that nobody knows exactly what it means." (Trotsky, *The Revolution Betrayed*, p. 245.)

Where Trotsky found proof of a workers' state in the transformation of the forms of

property, the supporters of the theory of state capitalism find proof of the reverse. They may argue that unless the working class has direct control of the state, it cannot be a workers' state. In that case, they will have to reject the idea that there was ever a workers' state in Russia, except possibly in the first few months after October. Even here it is necessary to reiterate that the dictatorship of the proletariat is realised through the instrument of the vanguard of the class, i.e. the Party, and in the Party through the Party leadership. Under the best conditions this will be effected with the utmost democracy within the state and within the Party. But the very existence of the dictatorship, its

necessity to achieve the change in the social system, is already proof of profound social contradictions which can, under unfavourable historical circumstances, find a reflection within the state and within the Party. The Party, no more than the state, can automatically and directly reflect the interests of the class. Not for nothing did Lenin think of the trade unions as a necessary factor for the defence of the workers against their state, as well as a bulwark for the defence of their state.

Here again, we see the results of substituting formalistic thinking for dialectical analysis. The advocates of this theory base themselves on pure

abstractions - a workers' state in general, as opposed to the real workers' state formed under conditions of frightful backwardness, poverty, illiteracy. A materialist approaches the subject in an entirely different way. While it is the most homogeneous class in society, the proletariat is not entirely homogeneous. There are important differences between different layers of the class - skilled and unskilled, backward and advanced, organised and unorganised, and so on. The same processes can take place in the working class as in other classes, according to the concrete conditions.

The history of the workers' organisations under capitalism, which can experience

a process of bureaucratisation under certain conditions, especially where the workers are not participating actively, is a useful analogy. Trotsky in the last analysis compared a workers' state to a trade union which has conquered power. After a long strike, with no victory in sight, the workers tend to lapse into inactivity and apathy, beginning with the most backward elements. Likewise in Russia, after years of war, revolution and civil war, the workers were exhausted. Gradually, they fell into inactivity. The soviets, the unions and other organs of workers' power became bureaucratised over a period as a result. A similar process can be seen in the French Revolution, although with a

different class content. If it was possible for the party of the working class (the Social Democracy), especially through its leadership, to degenerate under the alien pressures of capitalism, why is it impossible for the state set up by the workers to follow a similar pattern? Why cannot the state gain independence from the class, and at the same time (in its own interests) defend the new economic forms created by the revolution? In reality, the transition from one society to another was found to have been far more complex than could have been foreseen by the founders of scientific socialism.

No more than any other class or social

formation has the proletariat been given the privilege of inevitably having a smooth passage in the transition to its domination, and thence to its painless and tranquil disappearance in society, i.e., to socialism. That was a possible variant. But the degeneration of both Social Democracy and the Soviet state under the given conditions was not at all accidental. It represented in a sense the complex relations between a class, its representatives, and the state, which, more than once in history the ruling class, bourgeois, feudal and slave-owning, had cause to rue. It mirrors in other words, the multiplicity of historical factors which are the background to the decisive factor: the

economic.

Contrast the broad view of Lenin with the mechanistic view of the exponents of state capitalism. Lenin emphasised over and over the need to study the transition periods of past epochs especially from feudalism to capitalism, in order to understand the laws of transition in Russia. He would have rejected the conception that the state which issued from October would have to follow a preconceived norm, or thereby ceased to be a workers' state. Lenin knew very well that the proletariat and its party and leadership had no god-given power which would lead, without contradictions, smoothly to socialism

once capitalism had been overthrown. That is necessarily the only conclusion which must follow from the Kantian norms categorically laid down by proponents of state capitalism. That is why in advance Lenin emphasised that the dictatorship of the proletariat would vary tremendously in different countries and under different conditions.

However, Lenin hammered home the point that in the transition from feudalism to capitalism the dictatorship of the rising bourgeoisie was reflected in the dictatorship of one man. A class could rule through the personal rule of one man. Ex post facto Tony Cliff is quite willing to accept this conception as

it applies to the bourgeoisie. But one could only conclude from his schematic arguments that such a development would be impossible in the case of the proletariat. For the rule of one man implies absolutism, arbitrary dictatorship vested in a single individual without political rights for the ruling class whose interests, in the last analysis, he represents. But Lenin only commented thus to show that under certain conditions the dictatorship of the proletariat could also be realised through the dictatorship of one man. Lenin did not develop this conception. But today, in the light of the experience of Russia and Eastern Europe, China, Cuba and the other deformed workers'

states, we can deepen and understand not only the present but the past developments of society as well.

Under certain circumstances, the dictatorship of the proletariat can take the form of the dictatorship of one man. We are not talking about a healthy workers' state, but a distortion that can arise from the separation of the state from the class it represents. This means that the apparatus will almost inevitably tend to become independent of its base and thus acquire a vested interest of its own, hostile and alien to the class it represents. That was the case in Stalinist Russia. When we study the development of bourgeois society, we see that the

autocracy of one individual, with the given social contradictions, served the needs of the development of that society. This is clearly shown by the rule of Cromwell and Napoleon. But although both stood on a bourgeois base, at a certain stage bourgeois autocracy becomes, from a favourable factor for the development of capitalist society, a hindrance to the full and free development of bourgeois production.

However, the dictatorial regime of absolutism does not then painlessly wither away. In France and England it required supplementary political revolutions before bourgeois autocracy could be changed into bourgeois

democracy. But without bourgeois democracy a free and full development of the productive forces to the limits under capitalism would have been impossible. If this applies to the historical evolution of the bourgeoisie, how much more so to the proletariat in a backward and isolated country where the dictatorship of the proletariat degenerated into the dictatorship of Stalin - of one man?

In order that the Russian proletariat should take the path of socialism, a new revolution, a supplementary political revolution was necessary to turn the Bonapartist proletarian state into a workers' democracy. This entirely fits in

with the experience of the past. Just as capitalism passed through many stormy contradictory phases (we are far from finished with them yet, as our epoch bears witness), so in the given historic conditions did the rule of the proletariat in Russia. So also through a mutual reaction, Eastern Europe and China passed through this proletarian Bonapartist phase.

The peculiar notion that a workers' state is always born as immaculate as the Virgin Mary, and must under all conditions appear in the classical form of a perfect workers' democracy, or else must be damned as a "new class state", is a mystical idea which has nothing

whatever to do with the materialist method of Marxism. It is the product of thinking in abstract, formal categories. In point of fact, it is in the interrelation between the class and its state under the given historical conditions that we find the explanation of Stalinist degeneration, not in supra-historical abstractions.

As a matter of fact, even now the class nature of the Russian state has not been decisively determined. But the protagonists of the empty and superficial theory of state capitalism are least of all capable of shedding light on the processes that are unfolding in the former Soviet Union. If the present move in the direction of capitalist restoration

proves unsuccessful, in the long run, the economic factor (property relations), after many upheavals and catastrophes, will prove decisive. *It is a question of which property forms will ultimately prevail - nationalisation or private property.* This struggle is still unfolding, but the result is not yet decided. Of course, if we accept that Russia has been capitalist (even if "state capitalist") for the past 60 or 70 years, then this is just a little detail, about which we should not concern ourselves too much.

The Russian working class, through painful experience, has come to understand that there is indeed a fundamental difference between a

nationalised planned economy and capitalism. At the moment of writing, the Russian miners are striking against the bourgeois government in Moscow. An increasing number of workers are learning the need to defend what is left of nationalised industry against the depredations of the nascent capitalist class. Does this mean some kind of capitulation to the bureaucracy? Not at all. The Russian workers will fight against the nascent bourgeoisie with their own methods, strikes, demonstrations, general strikes. In so doing they will soon rediscover the great revolutionary traditions of the past. But the prior condition for this is the realisation of the need to wage an all-out

struggle against the immediate threat of capitalist counter-revolution.

Having blocked the road to capitalist counter-revolution in struggle, they will acquire a sense of their own strength and the necessary consciousness that will enable them to overthrow the bureaucracy and organise a healthy workers' democracy on a higher level. Such a development will not be a return to the position of the weak and impoverished Soviet state of 1917. On the basis of the technological and scientific advances made possible by the achievements of the nationalised planned economy in the past, they will be able to decree immediately a general reduction

of the working week. Within one or, at most two, five-year plans, with the democratic control and participation of the masses, the whole situation will be transformed. Given the present level of development, it should be possible quite soon to introduce the 32 hour week, followed by a further reduction of hours and a general raising of living standards and culture. Then the workers' state will, more or less, correspond to the ideal norm worked out by Marx and Lenin.

The theory of 'state capitalism' today

The debate over the class nature of the USSR is not an academic exercise, but has very serious practical consequences.

Trotsky had previously warned that the tendency that adopts the false theory of state capitalism runs the risk of becoming "the passive instrument of imperialism". But at the very time of a move to restore capitalism in Russia and Eastern Europe, the theories of state capitalism play the most pernicious role imaginable. The thinness and lack of theoretical insight of Cliff and his supporters is shown by their complete inability to explain the processes that are unfolding before our eyes in Russia. The whole thing is dismissed with the threadbare, flippant phrase that the bureaucracy just took a "step sideways" (!), which, typically, explains nothing about the social regime in Russia either

before or after. It tells us nothing about the relations of production, the class nature of the state, or the social content of the counter-revolution that is taking place. This is logical. Having denied the revolutionary significance of state ownership, the defenders of the theory of state capitalism are, in effect, compelled to deny that a counter-revolution is taking place at all! Thus, the concept of state capitalism stands revealed in the moment of truth as not merely theoretically bankrupt, but disastrous in practice.

In arguing his case Cliff dismissed Trotsky's analysis of the class character of the Soviet Union as "contradictory" to

Marxism. According to him, Trotsky's analysis "suffered from one serious limitation - a conservative attachment to formalism, which by its nature is contradictory to Marxism that subordinates form to content". (Cliff, *Russia: A Marxist Analysis*, p. 145.) This view is also upheld by another prominent colleague of Cliff, Duncan Hallas, who states: "Trotsky's analysis of the class struggle in the USSR after 1927 has clearly been shown to be erroneous." (T. Cliff and others, *The Fourth International, Stalinism and the Origins of the International Socialists*, p. 8.) Again, "there can be no doubt that by 1928 a new class had taken power in Russia" says another supporter of

Cliff's theory, Chris Harman. "The Left Opposition was far from clear about what it was fighting. Trotsky, to his dying day, believed that the apparatus that was to hunt him down and murder him was a degenerated workers' state." (Binns, Cliff and Harman, op. cit., p. 35.) Trotsky and his supporters resisted Stalinism, but, claims Harman, their "own theories about Russia made this task more difficult" (Ibid., p 36.)

As early as 1936, Trotsky, in a brilliant deduction, predicted that the bureaucracy would inevitably turn to individual ownership of the means of production, if the workers did not take power. How about the advocates of state

capitalism? The move to restore individual ownership caught these ladies and gentlemen completely by surprise. What alternative could they offer to the denationalisation of industry and the abolition of the plan? This is not a merely theoretical question, but a vital one for the interests of the Russian working class. It is necessary to give a concrete answer. How does this square with state capitalism?

Despite the fact that all the bourgeois commentators in the West and the bourgeois press are expressly behind the moves for capitalist restoration, Chris Harman claims that, "the move from the command economy to the market is

neither a step forward nor a step backwards, but a step sideways, from one way of organising capitalist exploitation to another"! (C. Harman and E. Mandel, *The Fallacies of State Capitalism*, p. 79.) For Tony Cliff, "privatisation was an irrelevant question".

This position is, of course, quite logical if you accept that the capitalist counter-revolution has happened already decades ago. Belatedly they now say they are opposed to privatisation in the ex-Stalinist states, in the same way they are opposed to privatisation in the West, although why they should do so remains a mystery. Is "state capitalism"

progressive after all? In this way, the advocates of this position proceed from bad to worse! The resulting contradictions are not lost on at least some of them. A leading speaker at their summer school in 1990 put forward the view that Trotsky "had a fetish about the nationalised economy". To call into question the very notion of a nationalised planned economy as the prior condition of a movement in the direction of socialism is, indeed, implicit in their whole position. But what conclusions are we supposed to draw from this?

If nationalisation is "irrelevant" and what has taken place in Russia is only a

"step sideways", then why oppose it? Surely it should be a matter of indifference whether the nascent bourgeoisie takes over from state capitalism? Of course, for the workers threatened with privatisation, things do not look so simple! But from the standpoint of the theory of state capitalism, there is absolutely nothing to choose between the two, and thus the only consistent position would be complete neutrality. (This would also apply to the question of privatisation in the West.) However, the last thing the proponents of this theory can be accused of is consistency!

Whether East or West, it is the

elementary duty of every class conscious worker to defend the gains of the past. The only remaining historic gain of the Russian Revolution is the nationalised planned economy. The pro-bourgeois government of Yeltsin, backed and promoted by Western imperialism, is attempting to destroy the nationalised economy, break it up, and sell it off through privatisation. If they succeed in this, it will represent the complete elimination of the gains of the October Revolution. It will mean the destruction of the deformed workers' state and the establishment of a new capitalist state. That is after all the aim of the nascent bourgeois in Russia and the Western imperialists. The situation could not be

clearer. And yet the theory of state capitalism seeks to turn things on their head and sow the maximum confusion.

Since the success of the October Revolution, Marxists have consistently defended the nationalised property rights that issued from the revolution. We did not support the Stalinist reaction or the policies of the Stalinist regime. These policies, far from defending the revolution, were assisting to weaken and undermine it. Eventually, as envisaged by Trotsky, the bureaucracy would move to consolidate its position by capitalist restoration. That is what has been taking place for the last six years or so in Russia and Eastern Europe. For Cliff

and his supporters, state capitalism not only existed in the USSR, Eastern Europe, and other Stalinist states where private property has been abolished, but apparently was also widespread in Asia, Africa, and Latin America during the 1930s, 40s, and 50s. In the words of Harman, "state intervention went further in many so-called developing countries, where the individual capitalist groups were too weak to stop the state dominating the industrial sector of the economy". He gives the examples of Egypt, Syria, Brazil, Argentina, Spain, Ireland and South Korea as varied forms of state capitalism.

"It [the state] behaved very much as the

East European states didÉ" states Harman. "It was an expression of a tendency throughout the world, from the 1930s through to the mid-1970s to resort to administrative, state capitalist interventions in economies prone to crisis. That phase of capitalist history is, however, drawing to a close. The state still intervenes, but with decreasing effectiveness. In the West that has meant a return to the classic slump; and in the East it means that the bureaucracies find it increasingly difficult to avoid going down the same path." (C. Harman, *Class Struggles in Eastern Europe 1945-83*, p. 327.)

Harman tortuously twists the facts to fit

the theory of state capitalism. Countries like Argentina under Perón and Egypt under Nasser, were not new state capitalist societies, but were capitalist economies that used state intervention, which is characteristic of all capitalist countries in the epoch of imperialism, to protect the interests of the national bourgeois against competition from the big imperialist powers. Given the extent of state intervention, using Harman's logic, the system of state capitalism would be practically universal! It appears that the cold war and the hostile relations between the USSR and the West was simply a big misunderstanding as state capitalist countries were on either side of the Iron Curtain, instead of

a fundamental antagonism between two social systems. If they were basically the same, why all the fuss, the diplomatic and military tensions and the arms race?

"How are we to view the end of the cold war, the collapse of the USSR and Russia's initial orientation on the US?" asks Dave Crouch, Cliff's co-thinker in Moscow. According to him, the collapse of Stalinism was no victory for US imperialism - despite what all the bourgeois commentators internationally said. "There was no 'capitulation' to the Americans. When the Russian ruling class stopped reeling from the defeats inflicted on it by the population after 1989 it set about strengthening its

position both at home and abroad. The big show of post-cold war friendship between Russia and the US was necessary to both sides. The Kremlin needed to persuade its people that the bad old days were over and that reform would take them to an affluent market future." (*International Socialism*, No. 66, Spring 1995, pp. 12-4.)

How muddled can you get? According to Dave Crouch, the collapse of Stalinism has resulted in strengthening of state capitalism "both at home and abroad"! Crouch, despite being based in Moscow, evidently lives on another planet. He does not see the collapse of the productive forces, the chaos, the misery

of the masses, the political convulsions, the military catastrophe that has overtaken the Russian people. No. Not only has there been no real change, but by some mysterious means which only Dave Crouch understands, the former regime has actually *strengthened* itself! Here we take leave of Marxism altogether and enter the realm of science fiction.

Apparently, the "state capitalists" of Russia and Eastern Europe, in an attempt to overcome their problems, were forced to move towards a more conventional form of market capitalism. In other words, the upheavals in Russia and Eastern Europe are purely "tactical"

problems for different sections of the capitalist class to sort out. Privatisation, the key note of the bourgeois counter-revolution, is considered a trick of some kind because ownership was not really being transferred at all; selling shares was merely a "device" by which the "state capitalists" could raise revenue! According to these gentlemen, socialists could not defend one form of capitalism against another. In the early 1950s, this position resulted in Tony Cliff remaining neutral during the Korean war when the deformed workers' state of North Korea was under imperialist attack. But in the Vietnam war, due to the pressure of the students and petty bourgeois in their ranks, it was fashionable to support

"state capitalist" North Vietnam against American imperialism. Today it is unfashionable to defend the planned economies of the former USSR and Eastern Europe against counter-revolution, but was fashionable to support the Romanian student's demands for capitalist restoration.

Life always takes its revenge on a false theory. The whole artificial construction of state capitalism lies in ruins. Yet instead of honestly admitting their mistake, they attempt to cling to the wreckage by their fingernails. They now try to maintain that no real change has taken place. This immediately leads them into a small error - that of being

unable to distinguish between revolution and counter-revolution! According to the theory of Tony Cliff and others, capitalist counter-revolution in Russia today is impossible. Since the bureaucracy "owned the state" and played the same role as the capitalist class, where is the difference? From this point of view, it is a matter of indifference whether state property is privatised or not, since it is all "capitalism"! Thus, the so-called theory of state capitalism, if it were accepted by the Russian workers today, would completely disarm them in the face of the nascent bourgeoisie. This fact alone is sufficient to underline the vital importance of theory, which, sooner or

later must be manifested in practice.

Trotsky made the Marxist position clear in the *Manifesto of the Fourth International*. "To be sure, the nationalisation of the means of production in one country, and a backward one at that, still does not insure the building of socialism. But it is capable of furthering the primary prerequisite of socialism, namely, the planned development of the productive forces. To turn one's back on the nationalisation of the means of production on the ground that in and of itself it does not create the well-being of the masses is tantamount to sentencing a granite foundation to destruction on the

ground that it is impossible to live without walls and roof. The class conscious worker knows that a successful struggle for complete emancipation is unthinkable without the defence of conquests already gained, however modest these may be. All the more obligatory therefore is the defence of so colossal a conquest as planned economy against the restoration of capitalist relations. Those who cannot defend old positions will never conquer new ones." (Trotsky, *Writings 1939-40*, p. 199.)

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Russia:

**from Revolution to
counterrevolution**

Part Five:

From war to 'de-Stalinisation'

The second world war was a continuation of the first imperialist war. German imperialism needed to carry through a redivision of the world. In the dictum of Clausewitz: War is the continuation of politics by other (violent) means. As early as 1931, Trotsky had predicted that if Hitler came to power, then Germany would declare war against the Soviet Union. Despite

joining the League of Nations (the "thieves' kitchen" to use Lenin's words), the diplomatic efforts of Stalin to reach an agreement with the Western "democracies" came to nothing. After the Munich accord in 1938, and with the minimum of force, Hitler carried through *Anschluss* with Austria, annexed the Sudetenland and then occupied Czechoslovakia in March 1939. In a desperate bid to avoid war with Germany, Stalin undertook a complete *volte face* and signed a Non-Aggression Pact with Hitler on the 23rd August 1939. The commissar of foreign affairs, Maxim Litvinov (who was Jewish) was replaced by Vyacheslav Molotov.

"In point of fact," declared Trotsky, "the signing of the treaty with Hitler supplies only one extra gauge with which to measure the degree of degeneration of the Soviet bureaucracy, and its contempt for the international working class, including the Comintern." (Trotsky, *In Defence of Marxism*, pp. 4-5, New York, 1970.) In addition to the Pact was an "Additional Secret Protocol" whereby Poland was divided into German and Soviet spheres of influence and ceased to exist as a unified country. This policy would obviously have been embarrassing for the Polish Communist Party. Fortunately for Stalin, the Polish CP had been dissolved in 1938 on the pretext that it had been penetrated by

fascists! Nearly all its leaders, in exile in Moscow, were shot. On the 9th September 1939, the Soviet foreign minister sent the following message to the Nazi ambassador in Moscow: "I have received your communication regarding the entry of German troops into Warsaw. Please convey my congratulations and greetings to the German Reich Government. Molotov." Britain and France were prepared to accept German aggression as long as German imperialism's interests laid eastwards. The attack on Poland, however, provoked war with these imperialist powers.

Trotsky had predicted that the second

world war would decide the fate of the Soviet Union: it would either lead to a successful political revolution against the Stalin regime or the victory of capitalist counter-revolution. The former variant would flow from the revolutionary upheavals arising from the war--as took place in 1917. The latter was likely if the capitalist powers succeeded in conquering Russia. This prognosis was falsified by the unforeseen developments of the war, which resulted in the victory of the Red Army. The process of the revolution had been far more complicated than even Trotsky's genius had foreseen. The revolutionary tide that followed the war was derailed by the Stalinist and

reformists leaders.

Despite the slanders against Trotsky by the Stalinist press which accused him and his followers of being fascist agents, Trotsky was far from holding a neutral position in the imperialist war. While standing for a political revolution to overthrow the Stalinist bureaucracy, he raised the need for the unconditional defence of the USSR in face of imperialist attack. Some leaders of the American Trotskyists, most notably the advocates of the theory of "bureaucratic collectivism", Max Shachtman and James Burnham, came out against defence of the Soviet Union. They reflected the pressures of petty

bourgeois public opinion which had swung against Stalinism after the signing of the Hitler-Stalin Pact. Burnham was shortly to abandon the Trotskyist movement completely, proclaiming in his book *The Managerial Revolution*, that the world was moving towards a new form of society ruled by a managerial elite, of which Stalinism, Nazism, and New Dealism were simply "different stages of growth" of "managerial ideologies".

On the 25th September 1939, a month after the signing of the Pact, and the opening of the second world war, Trotsky made his position absolutely clear:

"Let us suppose that Hitler turns his weapons against the east and invades territories occupied by the Red Army. Under these conditions, partisans of the Fourth International, without changing in any way their attitude towards the Kremlin oligarchy, will advance to the forefront, as the most urgent task of the hour, the military resistance against Hitler. The workers will say: 'We cannot cede to Hitler the overthrowing of Stalin; that is *our own task*.' During the military struggle against Hitler, the revolutionary workers will strive to enter into the closest possible comradely relations with the rank and file fighters of the Red Army. While arms in hand they deal blows to Hitler, the Bolshevik-

Leninists will at the same time conduct propaganda against Stalin preparing his overthrow at the next and perhaps very near stage. We must formulate our slogans in such a way that the workers see clearly just what we are defending in the USSR (state property and planned economy), and against whom we are conducting a ruthless struggle (the parasitic bureaucracy and its Comintern). We must not lose sight for a single moment of the fact that the question of overthrowing the Soviet bureaucracy is for us subordinate to the question of preserving state property in the means of production in the USSR." (Trotsky, *In Defence of Marxism*, pp. 20-1, emphasis in original.)

The Hitler-Stalin Pact, which Trotsky had predicted as early as 1934, was undoubtedly a betrayal of the international working class. But the outrage of the governments of London and Paris was entirely hypocritical. Anyone who studies the diplomatic papers of this period will see at a glance that the policy of British and French imperialism was to isolate the Soviet Union and make concessions to Hitler in the East (Czechoslovakia) in the hope that he would forget about them and attack Russia instead. They dreamed of a position where Germany and the USSR would exhaust themselves, whereupon they could step in and mop them both up. Stalin merely pre-empted them by

signing a deal with Berlin, thus freeing Hitler's hands to turn West instead.

As a general rule, even a healthy workers' state would have to engage in manoeuvres with capitalist regimes, making skilful use of the contradictions between them. In order to avoid a war, it might be necessary to sign an agreement even with the most reactionary regime, while continuing to support and encourage the movement to overthrow it. That was the case, for example, with the treaty of Brest-Litovsk in 1918. But in the first place, it was the policies of Stalin which allowed Hitler to come to power and placed the USSR in grave danger. In the second place, the way in

which Stalin carried out this policy had absolutely nothing in common with the internationalist methods of Lenin. Yet again, the international working class was sacrificed to the narrow national interests of the Russian bureaucracy. Moreover, as we shall see, this tactic did not save the Soviet Union, but only placed it in still greater danger.<

Ilya Ehrenburg in his memoirs recalls his shock when, on returning to Moscow from France, he discovered that any critical reference to the Nazis was censured, and that he was expected to deliver lectures on the premises of the German embassy. Nothing was said about Nazi atrocities. Trade with

Germany was booming, and everyone was given to understand that relations with Berlin were good and friendly. (See A. Nove, *Stalinism and After*, p. 81.) From the autumn of 1939 there was a complete halt to anti-fascist propaganda by the USSR. France and Britain now became the enemy. As Molotov put it: "During the last few months such concepts as 'aggression' and 'aggressor' have acquired a new concrete content, have taken on another meaning. Now it is Germany that is striving for a quick end to the war, for peace, while England and France, who only yesterday were campaigning against aggression, are for continuation of the war and against concluding a peace.

Roles, as you see, changeÉ Thus it is not only senseless, it is criminal to wage such a war as a war for 'the destruction of Hitlerism,' under the false flag of a struggle for democracy." (Quoted in Medvedev, *Let History Judge*, p. 730.)

Stalin and his clique went to the most incredible extremes to ingratiate themselves with Berlin. The following extract from the diary of a German diplomat describing the banquet which celebrated the signing of the Pact shows the lengths to which Stalin was prepared to go to conciliate Hitler:

"Toasts: In the course of the conversation, Herr Stalin spontaneously

proposed to the Führer, as follows: 'I know how much the German nation loves its Führer; I should therefore like to drink to his health.' Herr Molotov drank to the health of the Reich Foreign Minister and of the Ambassador, Count von der Schulenburg. Herr Molotov raised his glass to Stalin, remarking that it had been Stalin who--through his speech of March of this year which had been well understood in Germany--had brought about the reversal in political relations. Herren Molotov and Stalin drank repeatedly to the Non-Aggression Pact, the new era of German-Russian relations, and to the German nation. The Reich Foreign Minister (Ribbentrop) in turn proposed a toast to Herr Stalin,

toasts to the Soviet government, and to a favourable development of relations between Germany and the Soviet UnionÉ Moscow, 24th August, 1939. Hencke. (A Nazi diplomat.)" (Nazi-Soviet Relations, pp. 75-6, reproduced in Robert Black, *Stalinism in Britain*, p. 130.)

This goes far beyond what would be permissible for a genuine Leninist government in its dealings with a reactionary foreign regime for the purpose of self-defence. Far worse was to follow. To show his "good will" Stalin obligingly handed over German anti-fascist fighters, Jews and Communists to the tender mercies of the

Gestapo. At least one of them, Margaret Buber-Neumann, survived by some miracle, to write books comparing the concentration camps of Stalin with those of Hitler. Lavrenty Beria, head of Internal Affairs, even gave a secret order to the gulag administration forbidding camp guards to call political prisoners fascists! This was only rescinded after Hitler's invasion of the USSR in 1941. All this was no way to prepare the Soviet people and the workers of the world for the terrible conflict that was to come.

In what was clearly a defensive move to secure its Western borders, the Soviet Union swiftly moved to incorporate

Estonia, Latvia, Lithuania, Bessarabia, and Northern Bukovina. But it failed to take Finland in a disastrous campaign, which revealed to the whole world how the Red Army had been weakened by the Purges. Hitler took due note of this fact, which he commented on to his generals. He was already preparing to attack Russia. But Stalin refused to admit this even as a possibility, and continued to collude with Germany. When Hitler marched into Yugoslavia, Stalin closed the embassies of Yugoslavia, Greece, and Belgium, which signalled his approval to the German authorities.

When Germany invaded France in 1940, Stalin was convinced that his

manoeuvring had induced Hitler to turn West instead of attacking the Soviet Union. Molotov even sent the Führer a message of congratulation! All sections of the Comintern were ordered to follow the same line. This policy led the French Communist Party leaders to hope for a legal existence and the publication of *L'Humanité* in occupied France. This was only dispelled when rank and file Communist Party members were rounded up and shot en masse.

Meanwhile Pravda quoted statements from the Nazi press saying that the accord with Russia had allowed the German "offensive in the West to develop successfully". (*Pravda*, 26/8/1940.)

The masters of the Kremlin really thought that they were going to sit back and enjoy the spectacle of Germany and Britain slugging it out. Having abandoned every trace of a revolutionary internationalist perspective, they were drunk with illusions, while Hitler was preparing a devastating blow against them. This is what disarmed the Soviet Union in the face of its most terrible foe. From the outbreak of the second world war right up until June 1941 when Hitler attacked Russia, Nazi Germany received a large increase in exports from the USSR. Between 1938 and 1940 exports to Germany rose from Rbs85.9 million to Rbs736.5 million, which greatly assisted

Hitler's war efforts.

Consequences of the Purges

By contrast, in 1941, the USSR was in a very poor state for war. The Purge trials had exterminated the bulk of the general staff, including its most talented officers. Nor was the damage done by Stalin's Purges limited to the military potential of the USSR. It dealt a terrible blow against the economy also. This is now recognised even by those who yesterday justified the Purges and everything else Stalin did. In a study published by Yale University about the same time, attention was drawn to the damaging effects of the Purges on the Soviet economy. This was

reported *without comment* in the daily paper of the Communist Party of Great Britain in the early 1980s:

"Moreover, in the Purges of 1937-38 many of the most able administrators and scientists in the chemical industry were imprisoned or executed,' writes Robert Amann. 'For those who did not suffer directly the Purges had a numbing effect. The penalties for failure were so extreme that decisions involving risk, novelty and personal initiative were avoided at all costs.'

"It would be hard to exaggerate the extent to which these lingering attitudes have exerted a detrimental effect on the

long-term development of the chemical industry, and on other Soviet industries.' *Nor were defence industries immune: 'For all that Stalin's policies had built up Soviet military and industrial power, the Purges and repression of the 1930s greatly weakened the Soviet Union's ability to defend itself,'* writes David Holloway." (*Morning Star*, 5/8/82, my emphasis.)

The main factor that undermined the Red Army's capacity to fight at the start of the war was the destruction of its finest generals and cadres in the Purges. The October Revolution had thrown up a whole layer of talented young officers, some of whom, like Tukhachevsky, Yakir

and Gamir were brilliantly original military thinkers. It is not generally known that the theory of the *Blitzkrieg* ("lightning war") was not a German invention. The *Wehrmacht* copied it from the Russians. Long before the war, when the British and French army chiefs were still convinced that the next war would be a war of position, like the first world war, Tukhachevsky's genius led him to conclude that the second world war would be fought with tanks and aeroplanes. When Tukhachevsky and his comrades were murdered in the Purges, their place was taken by Stalin's cronies like Voroshilov, Timoshenko and Budyonny, who thought that the coming war would be fought with cavalry! The

second-rate and inept Voroshilov was put in charge of the Defence

Commissariat, surrounded by others of the same ilk. These creatures of Stalin were promoted to key positions not for their personal abilities but for their servile loyalty to the ruling clique.

Former General Grigorenko, who served at the time as a lecturer in the central Soviet military academy, recalls the disastrous effects of the Purges on the quality of military training:

"No sooner had the academy taken its first halting steps than the trumped-up trial of Tukhachevsky, Uborevich, Yakir, and others cast suspicion on all things

planned by Tukhachevsky. Stalin saw the academy as an 'anti-Stalinist military centre,' and the pogroms commenced. Arrests began in winter 1936 and intensified in 1937. The highly qualified teaching staff assembled by Tukhachevsky was almost totally annihilated.

"Positions were taken by untalented or inexperienced people. In turn, some of the new teachers were arrested, which frightened the rest and left them with little enthusiasm for their new jobs. Texts that had been written by 'enemies of the people,' the first teachers, now could not be used. The new teachers wrote a hasty conspectus of each of their

lectures, but fearful of being accused of proffering views hostile to Stalin, they filled their lectures with faddish dogmas." And he adds: "The theory of battle in depth worked out by Tukhachevsky, Yegorov, Uborevich and Yakir was cast aside." (Grigorenko, op. cit., pp. 91-2.)

All this was admitted by Khrushchev in 1956:

"Very grievous consequences, especially in reference to the beginning of the war, followed Stalin's annihilation of many military commanders and political workers during 1937-1941 because of his suspiciousness and through

slanderous accusations. During these years repressions were instituted against certain parts of military cadres, beginning literally at the company and battalion commander level and extending to the higher military centres; during this time the cadre of leaders who had gained military experience in Spain and in the Far East was almost completely liquidated.

"The policy of large-scale repression against the military cadres led also to undermined military discipline, because for several years officers of all ranks and even soldiers in the party and Komsomol cells were taught to 'unmask' their superiors as hidden enemies.

(Movement in the hall.) It is natural that this caused a negative influence on the state of military discipline in the first war period.

"And, as you know, we had before the war excellent military cadres which were unquestionably loyal to the party and to the Fatherland. Suffice it to say that those of them who managed to survive, despite severe tortures to which they were subjected in the prisons, have from the first war days shown themselves real patriots and heroically fought for the glory of the Fatherland; I have here in mind such comrades as Rokossovsky (who, as you know, had been jailed), Gorbатов, Maretskov (who

is a delegate at the present Congress), Podlas (he was an excellent commander who perished at the front), and many, many others. However, many such commanders perished in camps and jails and the army saw them no more. All this brought about the situation which existed at the beginning of the war and which was the great threat to our Fatherland." (*Special Report on the 20th Congress of the CPSU* by N.S. Khrushchev, 24-25 February 1956.)

There are still many misconceptions about the second world war, especially concerning the role of Stalin. According to Alec Nove (normally quite an astute commentator on Russia): "Germany's

colossal power was greater than Russia's and she had at her disposal the industries of occupied Europe. Her armies were well equipped, and the equipment had been tested in the battlefield. Despite the very greatest efforts and sacrifices in the preceding decade, the Soviet Union found itself economically as well as militarily at a disadvantage." (A. Nove, *An Economic History of the USSR*, p. 273.)

As a matter of fact, at the time of the Nazi attack on the Soviet Union, the combined firepower of the Red Army was *greater* than that of the *Wehrmacht*. Yet the Soviet forces were rapidly encircled and decimated. This

unprecedented catastrophe was not the result of objective weakness, but of bad leadership. Having destroyed the best cadres of the Red Army, Stalin placed such blind confidence in his "clever" manoeuvre with Hitler, that he ignored numerous reports that the Germans were preparing to attack. The Minsk fortified area, a mighty defensive line which had been built on the western border of the USSR in anticipation of a German attack was actually demolished on Stalin's orders, presumably as a gesture of good faith to Berlin. Grigorenko, who had worked before the war on the building of these fortifications, describes his feelings of indignation when they were demolished:

"[These] fortifications were to have reliably shielded the deployment of assault groups and repelled any attempts by the enemy to break up the deployment. When the army attacked, the fortified areas were to have supported the troops with firepower. Instead, our western fortified areas did not fulfil any of these tasks. *They were blown up without having fired once at the enemy.*

"I do not know how future historians will explain this crime against our people. Contemporary historians ignore it. I cannot offer an explanation myself. The Soviet government squeezed billions of roubles (by my calculations not less than 120 billion) out of the

people to construct impregnable fortifications along the entire western boundary from the Baltic Sea to the Black Sea. Then, right before the war in the spring of 1941, powerful explosions thundered along the entire 1,200-kilometre length of these fortifications. On Stalin's personal orders reinforced concrete caponiers and semicaponiers, fortifications with one, two, or three embrasures, command and observation posts--tens of thousands of permanent fortifications--were blown into the air. No better gift could have been given to Hitler's Barbarossa plan." (Grigorenko, *op. cit.*, pp. 46-7, emphasis in original.)

Had it not been for the criminal actions

of Stalin, the USSR would have not been caught unawares by the German onslaught, as Khrushchev explained:

"Did we have time and the capabilities for such preparations? Yes, we had the time and the capabilities. Our industry was already so developed that it was capable of supplying fully the Soviet army with everything that it needed. This is proven by the fact that, although during the war we lost almost half of our industry and important industrial and food-production areas as the result of enemy occupation of the Ukraine, Northern Caucasus and other western parts of the country, the Soviet nation was still able to organise the production

of military equipment in the eastern parts of the country, install there equipment taken from the western industrial areas, and to supply our armed forces with everything which was necessary to destroy the enemy.

"Had our industry been mobilised properly and in time to supply the army with the necessary material, our wartime losses would have been decidedly smaller. Such mobilisation had not been, however, stated in time. And already in the first days of the war it became evident that our army was badly armed, that we did not have enough artillery, tanks and planes to throw the enemy back.

"Soviet science and technology produced excellent models of tanks and artillery pieces before the war. But mass production of all this was not organised, and, as a matter of fact, we started to modernise our military equipment only on the eve of the war. As a result, at the time of the enemy's invasion of the Soviet land we did not have sufficient quantities either of old machinery which was no longer used for armament production or of new machinery which we had planned to introduce into armament production.

"The situation with anti-aircraft artillery was especially bad; we did not organise the production of anti-tank ammunition.

Many fortified regions had proven to be indefensible as soon as they were attacked, because the old arms had been withdrawn and new ones were not yet available there. This pertained, alas, not only to tanks, artillery and planes. At the outbreak of the war we did not have sufficient numbers of rifles to arm the mobilised manpower. I recall that in those days I telephoned to Comrade Malenkov from Kiev and told him, 'People have volunteered for the new army and demand arms. You must send us arms.'

"Malenkov answered me. 'We cannot send you arms. We are sending all our rifles to Leningrad and you have to arm

yourselves.' (Movement in the hall.)

"Such was the armament situation."
(*Special Report on the 20th Congress of the CPSU* by N.S. Khrushchev, 24-25 February 1956.)

Despite the fact that the combined fire power of the Red Army was greater than that of the Germans, the Purges had effectively crippled it. This was the decisive element which persuaded Hitler to attack in 1941. At the Nuremberg trial, Marshal Keitel testified that many German generals had warned Hitler not to attack Russia, arguing that the Red Army was a formidable opponent. Rejecting these

Hitler gave Keitel his main reason--"The first-class high-ranking officers were wiped out by Stalin in 1937, and the new generation cannot yet provide the brains they need." On the 9th January 1941, Hitler told a meeting of generals planning the attack on Russia: "They do not have good generals." (Medvedev, *Let History Judge*, p. 214.)

"Our initial defeat," writes Grigorenko, "was caused by those in the very highest positions. Thousands of capable army commanders had been purged, our border airdromes were poorly developed, we had inadequate anti-aircraft defence, our tank units and anti-tank defence had been sharply reduced

(at Stalin's whim) immediately before the war, our fortified areas had been blown up, and our troops had been trained on a peacetime basis. We were not prepared. We paid for this criminal unpreparedness both during and after the war. I pointed to Stalin as the chief culprit, but I also mentioned Voroshilov, Timoshenko, Golokov, and Zhukov. Our failures could not be blamed on the fascists but on ourselves." (Grigorenko, op. cit., p. 332.)

'For the archives'

By the middle of June 1941 Hitler had moved enormous military resources to the Soviet border. Four million German

troops were amassed on the border ready to invade. There were also 3,500 tanks, around 4,000 planes, and 50,000 guns and mortars. Attempts were made to keep this mobilisation secret, but given its size, numerous reports from border units, the Soviet intelligence service, even officials of the British and US governments, were passed on to the Soviet government. Stalin refused to act on these reports, instead wrote on them "For the archives", and "To be filed". This was all confirmed by General Zhukov in his Reminiscences and Reflections. When the Soviet military command asked for permission to put the Soviet troops on to alert, Stalin refused. He refused to believe Hitler would

invade. "German planes increasingly broke into Soviet airspace," reports Air Marshal A. Novikov, "but we weren't allowed to stop them." (Quoted in Medvedev, *Let History Judge*, p. 332.)

In his speech at the 20th Congress of the CPSU, Khrushchev pointed out that on the 3th April 1941, Churchill, through his ambassador to the USSR, the British minister Stafford Cripps personally warned Stalin that the Germans had begun regrouping their armed units with the intent of attacking the Soviet Union. Churchill affirmed in his writings that he sought to "warn Stalin and call his attention to the danger which threatened him". Churchill stressed this repeatedly

in his dispatches of the 18th April and on the following days. "However," said Khrushchev, "Stalin took no heed of these warnings. What is more, Stalin ordered that no credence be given to information of this sort, in order not to provoke the initiation of military operations.

"We must assert that information of this sort concerning the threat of German armed invasion of Soviet territory was coming in also from our own military and diplomatic sources; however, because the leadership was conditioned against such information, such data was dispatched with fear and assessed with reservation.

"Thus, for instance, information sent from Berlin on May 6, 1941, by the Soviet military attaché, Captain Vorontsov, stated: 'Soviet citizen Bozer communicated to the deputy naval attaché that, according to a statement of a certain German officer from Hitler's headquarters, Germany is preparing to invade the USSR on May 14 through Finland, the Baltic countries and Latvia. At the same time Moscow and Leningrad will be heavily raided and paratroopers landed in border cities'

"In his report of May 22, 1941, the deputy military attaché in Berlin, Khlopov, communicated that: 'The attack of the German army is reportedly

scheduled for June 15, but it is possible that it may begin in the first days of JuneÉ'

"A cable from London Embassy dated June 18, 1941, stated: 'As of now Cripps is deeply convinced of the inevitability of armed conflict between Germany and the USSR, which will begin not later than the middle of June. According to Cripps, the Germans have presently concentrated 147 divisions (including air force and service units) along the Soviet bordersÉ'

"Despite these particularly grave warnings, the necessary steps were not taken to prepare the country properly for

defence and to prevent it from being caught unawares." (*Special Report on the 20th Congress of the CPSU* by N.S. Khrushchev, 24-25 February 1956.)

And again:

"In this connection we cannot forget, for instance, the following fact: Shortly before the invasion of the Soviet Union by the Hitlerite army, Kirponos, who was chief of the Kiev Special Military District (he was later killed at the front), wrote to Stalin that the German armies were at the Bug River, were preparing for an attack and in the very near future would probably start their offensive. In this connection, Kirponos proposed that

a strong defence be organised, that 300,000 people be evacuated from the border areas and that several strong points be organised there: anti-tank ditches, trenches for the soldiers, etc.

"Moscow answered this proposition with the assertion that this would be a provocation, that no preparatory defensive work should be undertaken at the borders, that the Germans were not to be given any pretext for the initiation of military action against us. Thus, our borders are insufficiently prepared to repel the enemy. When the fascist armies had actually invaded Soviet territory and military operations began, Moscow issued the order that the German fire

was not to be returned. Why? It was because Stalin, despite evident facts, thought that the war had not yet started, that this was only a provocative action on the part of several undisciplined sections of the German army, and that reaction might serve as a reason for the Germans to begin the war.

"The following fact is also known: On the eve of the invasion of the territory of the Soviet Union by the Hitlerite army, a certain German citizen crossed out border and stated that the German armies had received orders to start the offensive against the Soviet Union on the night of June 22 at 3 o'clock. Stalin was informed about this immediately, but

even this warning was ignored.

"As you see, everything was ignored: warnings of certain army commanders, declarations of deserters from the enemy army, and even the open hostility of the enemy. Is this an example of the alertness of the chief of the party and of the state at this particularly significant historical moment? And what were the results of this carefree attitude, this disregard of clear facts? The result was that already in the first hours and days the enemy had destroyed in our border regions a large part of our Air Force, artillery and other military equipment; he annihilated large numbers of our military cadres and disorganised our military

leadership; consequently we could not prevent the enemy from marching deep into the country." (Ibid.)

Incredibly there were no defence plans prepared in the event of a German attack. Many Soviet tanks were without their crews. Even when Hitler actually launched his offensive, Stalin ordered the Red Army not to resist. Thus, the mighty Soviet armed forces were paralysed for the first critical 48 hours. The Red Air Force was destroyed on the ground. Due to this confusion and paralysis at the top, huge swathes of territory were lost in the first few weeks. Millions of Soviet soldiers were captured with little resistance. With

proper leadership, there is no doubt that the German invaders could have been pushed back into Poland at the beginning of the war. A decisive defeat could have been inflicted on Hitler as early as 1941. The war could have been brought to an end far earlier, avoiding the horrific losses suffered by Belarus, western Russia and the Ukraine. The nightmare suffered by the peoples of the USSR were the direct result of the irresponsible policy pursued by Stalin and his clique.

Stalin feared war with Germany because he was afraid that this could lead to his overthrow. He was particularly afraid of the military. After the disastrous Finnish

campaign of 1939-40, he ordered the release of thousands of officers who had been imprisoned in the Purges, but Medvedev points out that as late as "1942, Stalin ordered a large group of leading Red Army officers to be shot in the camps; he considered them a threat to himself in the event of unfavourable developments on the Soviet-German Front". (R. Medvedev, *Let History Judge*, p. 312.)

After the war, strenuous attempts were made by the Kremlin to spread the myth of Stalin as a "great war Leader". This does not stand up to the slightest scrutiny. We have already seen how Stalin's policies left the Soviet Union at

the mercy of Hitler. When Hitler invaded, the Soviet leaders were in disarray. Stalin initially panicked and went into hiding. His actions amounted to total capitulation. Despite this he gave himself the title of "Generalissimo" and embellished his role in the Great Patriotic War. The true position was expressed by Khrushchev in the following terms:

"It would be incorrect to forget that, after the first severe disaster and defeat at the front, Stalin thought that this was the end. In one of his speeches in those days he said: 'All that which Lenin created we have lost for ever'. After this Stalin for a long time actually did not

direct the military operations and ceased to do anything whatever. He returned to active leadership only when some members of the Political Bureau visited him and told him that it was necessary to take certain steps immediately in order to improve the situation at the front.

"Therefore, the threatening danger which hung over our Fatherland in the first period of the war was largely due to the faulty methods of directing the nation and the party by Stalin himself.

However, we speak not only about the moment when the war began, which led to serious disorganisation of our army and brought us severe losses. Even after the war began, the nervousness and

hysteria which Stalin demonstrated, interfering with actual military operations, caused our army serious damage.

"Stalin was very far from an understanding of the real situation which was developing at the front. This was natural because, during the whole Patriotic War, he never visited any section of the front or any liberated city except for one short ride on the Mozhaisk highway during a stabilised situation at the front. To this incident were dedicated many literary works full of fantasies of all sorts and so many paintings. Simultaneously, Stalin was interfering with operations and issuing

orders which did not take into consideration the real situation at a given section of the front and which could not help but result in huge personnel losses.

"I will allow myself in this connection to bring out one characteristic fact which illustrates how Stalin directed operations at the fronts. There is present at this Congress Marshal Bagramian, who was once the chief of operations in the headquarters of the south-western front and who can corroborate what I will tell you.

"When there developed an exceptionally serious situation for our army in 1942 in

the Kharkov region, we had correctly decided to drop an operation whose objective was to encircle Kharkov, because the real situation at that time would have threatened our army with fatal consequences if this operation was continued. We communicated this to Stalin, stating that the situation demanded changes in operational plans so that the enemy would be prevented from liquidating a sizeable concentration of our army. Contrary to common sense, Stalin rejected our suggestion and issued the order to continue the operation aimed at the encirclement of Kharkov, despite the fact that at this time many army concentrations were themselves actually threatened with encirclement and

liquidation.

"I telephoned to Vasilevsky and begged him: 'Alexander Mikhailovich, take a map'--Vasilevsky is present here--'and show Comrade Stalin the situation which has developed.' We should note that Stalin planned operations on a globe. (Animation in the hall.) Yes, comrades, he used to take the globe and trace the front line on it." (*Special Report on the 20th Congress of the CPSU* by N.S. Khrushchev, 24-25 February 1956.)

Hundreds of thousands of Soviet soldiers were captured in the first days of the war. The losses later suffered by the Red Army were made far worse by

Stalin's insistence on frontal attacks, irrespective of cost in lives. When the Red Army counterattacked at the end of 1941 instead of trying to outflank the enemy with tactical manoeuvres, Stalin demanded the capture of one village after another. "Because of this," Khrushchev explained, "we paid with great losses--until our generals, on whose shoulders rested the whole weight of conducting the war, succeeded in changing the situation and shifting to flexible-manoeuve operations, which immediately brought serious changes at the front favourable to us." (Ibid.)

By the end of November 1941 the Soviet retreat had lost ground that contained 63

per cent of all coal production, 68 per cent of pig iron, 58 per cent of steel, 60 per cent of aluminium, 41 per cent of railway lines, 84 per cent of sugar, 38 per cent of grain, and 60 per cent of pigs. Some major centres, notably Leningrad, were effectively isolated. Huge supplies of basic materials and equipment were suddenly cut off, and much more was put at risk by the swift German advance. Faced with the prospect of imminent defeat and overthrow, Stalin reluctantly replaced his talentless and incompetent stooges with other more able commanders, some of them having been released from jail for the purpose:

"After fearing for his life and being threatened by a total loss of power, he understood that he needed specialists to conduct the war successfully, and in his search for them he even turned to those he had arrested. Men were freed from prison and sent to high command posts--Rokossovsky and Gorbатов, among others; but this did not, of course, solve the entire problem. It was impossible to fill with individual bricks the enormous gaping hole that Stalin's insane terrorist activity had made in the leadership of the armed forces." (Grigorenko, *op. cit.*, p. 211.)

The tide turns

Under war conditions, a new general staff was rapidly developed. The new generation of Soviet officers was trained under fire. These were drawn from the junior officers who had been brought up in the traditions of the October Revolution and the civil war. The Voroshilovs and Budyonnys were quietly shunted into the sidelines. Men who had been arrested during the Purges, were released from prison to take over the leadership of the Red Army. These talented officers were the product of the revolutionary school of the military genius Tukhachevsky. They led the Red Army in the most spectacular advance in the entire history of warfare. Thus, not only in the economic sphere, but in the

field of military talent, the Revolution showed what it was capable of. It is sufficient to compare the performance of the Red Army with that of the Tsarist forces in 1914-17 to see the difference. The brilliant victory of Russia in the war was, in itself, the most outstanding confirmation of the superiority of a nationalised planned economy over capitalist anarchy.

After initially dragging its feet, the Soviet government evacuated human and material resources on a gigantic scale. From July to November 1941, no fewer than 1,523 industrial enterprises, of which 1,360 were described as large-scale, were uprooted and physically

removed from threatened areas. This was an incredible feat, unequalled in the history of war. With the German advance, tens of millions of people were moved eastwards. The Soviet economy however suffered heavy blows. By November 1941 over three hundred armament factories were captured by the Germans. In the same year, 1941, industrial production totalled only 51.7 per cent of the output of November 1940. Between 1940 and 1942 there was a massive fall in production. The production of pig iron fell from (in million tons) 14.9 to 4.8; steel from 18.3 to 8.1; rolling mill products from 13.1 to 5.4; coal from 165.9 to 75.5; oil from 31.1 to 22.0; and electricity (billion

kwhs) from 48.3 to 29.1. In 1942 the Germans had occupied the north Caucasus and the Don basin which cost the USSR the best of its remaining grain areas and the Maikop oilfield, and for a period the crucial oil from Baku was stopped. Harvests were devastated. Only by March 1942--despite continuing defeats and retreats--did production show a steady upward trend.

Engels once pointed out that in a siege economy, the laws of capitalism no longer apply. Faced with a life-or-death dilemma, the bourgeoisie will resort to measures of planning, centralisation and nationalisation. This fact in itself is a crushing answer to all those who trumpet

the supposed superiority of the market. Incidentally, during the second world war, living standards actually rose in Britain and the United States, despite the fact that a huge amount of production went on the war effort. Thus, even in the West, the advantages of central planning (partial, of course, since real planning is not possible in a capitalist economy) were not seriously disputed during the war. But in the case of the Soviet Union, the overwhelming superiority of a nationalised planned economy was crushingly demonstrated, especially when subjected to the most serious test of all, the bloody equation of war.

A spectacular turnaround was effected

which was the key to victory. The war industry was reorganised and put on a more effective footing. Specialists were released from Stalin's labour camps to work in the war industries. In 1940, 15 per cent of the national income was devoted to military purposes. In 1942 this had increased to 55 per cent. According to Nove, "perhaps the highest ever reached anywhere". The nationalised economy made all the difference. As Nove further explained: "No doubt the experience of centralised planning in the previous ten years was a great help. In the process of tightening control over resources the government resorted to quarterly and even monthly plans, in far greater detail than in

peacetime.

"The practice of material balances was used successfully to allocate the materials and fuel available between alternative uses in accordance with the decisions of the all-powerful State Committee on Defence. An emergency war plan was adopted in August 1941, covering the rest of that year and 1942. There were annual economic-military plans thereafter, as well as some longer-term plans, including one for the Urals region covering the years 1943-47." (A. Nove, *An Economic History of the USSR*, pp. 278-9.) These few facts are sufficient to demonstrate the enormous superiority of the Soviet economy.

Not only was Soviet industry capable of producing a vast quantity of military equipment, but the tanks, planes and guns were of a very high quality, and more than a match for the German equivalents. This, plus the determination of the Soviet working class to defend the gains of the Revolution, was what determined the outcome of the conflict, and, ultimately the second world war in Europe, which was really a titanic duel between the USSR and Nazi Germany. Although Hitler had a big advantage at the start of the war and had all the resources of occupied Europe behind him, he was defeated. Before the astonished eyes of the world, the Red Army recovered from what for any other

country would have been a mortal blow, regrouped, and counterattacked, pushing the German army all the way back to Berlin.

Although the military tide began to turn at the very end of 1942, the recaptured territory sometimes added little to Soviet economic strength. The Nazis had conducted a scorched earth policy. Thus, in 1943 the gross output of industry in the (Soviet) Ukraine was just 1.2 per cent of the total of 1940. Despite this the Soviet masses were fighting a war of liberation against the Nazi invaders. If the Nazi armies were victorious, it would have been a horrific outcome for the Russian people. These facts

provided the Red Army with the fighting morale to defeat Hitler. The German army was finally halted at Stalingrad. The Battle of Kursk was a turning-point on the Eastern Front. This was undoubtedly the most decisive battle of the war. In a titanic struggle, with no fewer than 10,000 tanks deployed on either side, the Red Army was victorious.

Incidentally, throughout all this a large British army was stationed in Persia, just across the border of the USSR. Stalin asked Churchill to send the British troops who were doing nothing to help the Red Army on the Eastern Front. His British "ally" amiably counter-proposed

to the Generalissimo that the Russian troops which were facing them on the other side of the border might be withdrawn to the front, while the British army would then kindly look after the border for them. In point of fact, Churchill was waiting for the Red Army to be defeated, so that he could order the British army to seize oil-rich Baku, pursuing the same policy as when the British army invaded the Caucasus during the civil war. Even Stalin could understand this!

The end result was that both sides remained in their positions, while the most decisive battles of the war were being fought out on Soviet soil.

Unfortunately for Churchill, the battle ended in the victory of the Red Army, which rapidly advanced into the heart of Europe. The Germans were gradually pushed back, although, as a result of Stalin's insane policies, the Russian losses were frightful. The explanation for this is more political than military. Had the Soviet Union adopted an internationalist policy, appealing to the German workers to overthrow Hitler, this would have had enormous repercussions, especially after the first German defeats. The perspective of a socialist Germany united in a fraternal federation with Soviet Russia would undoubtedly have found an echo in the hearts and minds of the German workers

and soldiers.

In this way, it would have been possible to avoid the terrible losses suffered by the Red Army in its advance towards Berlin. Victory could have been achieved sooner, and at a far smaller cost. But the policy pursued by Stalin bore a completely chauvinist character. Reflecting this policy Ilya Ehrenburg announced that "if the German workers meet us with red flags, they will be the first to be shot". Such a policy guaranteed that the German army would fight desperately every inch of the way. This explains the ghastly loss of life suffered by both sides.

As a result of a monumental miscalculation by the imperialist powers, the Russians and not the Allies arrived first in Berlin. Trotsky explained that the main danger to the nationalised planned economy was not so much a military defeat as the cheap consumer goods that would arrive in the baggage train of an imperialist army. As it happened, Hitler's armies brought, not cheap commodities, but gas chambers. As a result, not just the working class, but the peasants fought like tigers to defend the Soviet Union.

The victory of the USSR in the war was one of the main factors that allowed the Stalinist regime to survive for decades

after 1945. To the workers of Russia and the world, it appeared that the bureaucracy was playing a progressive role, not just in defending the planned economy against Hitler, but in extending the nationalised property forms to Eastern Europe, and, later China. In reality, these revolutions began where the Russian Revolution finished--as monstrously deformed regimes of proletarian Bonapartism. The installation of such regimes, far from weakening the Moscow bureaucracy, enormously strengthened it for a whole historical period.

Stalin's manoeuvres

The plans of all the imperialist powers had backfired. Churchill had completely miscalculated, but so had Stalin, Hitler and Roosevelt. Hitler believed Soviet resistance could easily be broken.

General Halder, chief of the German General Staff, expected the USSR to be defeated within four weeks. Von Ribbentrop, German foreign minister, thought eight weeks, and the US War Department between four and 12 weeks. The British military gave Russia six weeks at most. Yet the war--despite the Stalin regime and the terrible sacrifices--demonstrated beyond question the viability of the new property relations established by the October Revolution.

The victory of the USSR shattered the perspectives of the Allies who had originally hoped that Nazi Germany and Stalin's Russia would slug it out until mutually exhausted. They would then march in and clean up. In the words of Harry Truman: "If we see that Germany is winning the war, we ought to help Russia, and if Russia is winning, we ought to help Germany, and in that way let them kill as many as possible." (Quoted in D. Horowitz, *The Free World Colossus*, p. 61.)

On May Day 1945 the Red flag was flying over the Reichstag in Berlin. A few days later, the German High Command surrendered. But already the

imperialists were manoeuvring against the Soviet Union. The dropping of the atomic bombs on Hiroshima and Nagasaki by the Americans, at a moment when Japan was clearly defeated and already suing for peace, served no military role, and was a clear warning to the USSR from its "allies".

Stalin had attempted to come to an accommodation with the imperialist powers between 1944 and 1945 at the Big Three Conferences at Teheran, Moscow, Yalta and Posdam. Churchill noted down his conversation with Stalin in October 1944:

"The moment was apt for business, so I

said, 'Let us settle about our affairs in the Balkans. Your armies are in Romania and Bulgaria. We have interests, missions, and agents there. Don't let us get at cross-purposes in small ways. So far as Britain and Russia are concerned, how would it do for you to have 90 per cent predominance in Romania, for us to have 90 per cent of the say in Greece, and go 50-50 about Yugoslavia?' While this was being translated I wrote out on a half sheet of paper:

Romania: Russia 90 per cent

The others 10 per cent

Greece: Great Britain (in accord with USA) 90 per cent

Russia 10 per cent

Yugoslavia: 50-50 per cent

Hungary: 50-50 per cent

Bulgaria: Russia 75 per cent

The others 25 per cent

"I pushed this across to Stalin, who had by then heard the translation. There was a slight pause. Then he took his blue pencil and made a large tick upon it, and passed it back to us. It was all settled in no more time than it takes to set downÉ After this there was a long silence. The pencilled paper lay in the centre of the table. At length I said, 'might it not be

thought rather cynical if it seemed we had disposed of these issues, so fateful to millions of people, in such an off-hand manner? Let us burn the paper.' 'No, you keep it' said Stalin." (W. Churchill, *Triumph and Tragedy*, pp. 227-8.)

Thus certain countries would fall under the spheres of influence of either Stalinism or the imperialists. Stalin washed his hands of the revolution in Greece. He told the Yugoslav partisan leader Milovan Djilas: "The uprising in Greece will have to fold up É [it] must be stopped, and as quickly as possible." (M. Djilas, *Conversations with Stalin*, p. 140-1.) And according to Churchill,

"Stalin adhered strictly and faithfully to our agreement of October and in all the long weeks of fighting the Communists in the streets of Athens not one word of reproach came from Pravda or Izvestia". He wanted Mao to make a modus vivendi with Chiang Kai-shek. In Yugoslavia Stalin favoured the restoration of the monarchy under King Peter.

As predicted by Trotsky, the war ended in a revolutionary upheaval, with the workers in the advanced countries moving in the direction of socialist revolution and the tremendous awakening of the colonial masses. But this mighty movement of millions was

headed off, on the European continent by the Stalinists, and in Britain by the Labour government. In many parts of occupied Europe, the Communist Parties had gained mass support as a result of the courageous role of the Communist Party workers in the resistance to the Nazis after 1941.

The masses looked to the Communist Parties for a revolutionary way out after the bloody lessons of the war. But Stalin had other ideas. On instructions from Moscow, the Communist Party leaders entered bourgeois coalition governments in France, Italy, Belgium and Finland as a means of blocking the revolutionary movement of the workers. This failure of

the working class of the advanced capitalist countries to take power, was the political premise for the subsequent recovery and postwar upswing. It also shaped and predetermined the fate of the revolutions that occurred in the colonial countries.

Eastern Europe after the war

As Trotsky had tentatively suggested in his last work, the proletarian Bonapartist regime in Russia lasted for decades. This was a result, firstly, of the victory of the USSR in the second world war, an event which radically changed the correlation of forces on a world scale. Secondly, the extension of the revolution

to Eastern Europe by Bonapartist means meant the establishment, not of healthy workers' states like that of October 1917, but of monstrously deformed workers' states in the image of Stalin's Moscow.

In Europe, the victory of Russia in the war and the upsurge of the masses following the defeat of German-Italian fascism also developed a tremendous revolutionary wave which threatened to sweep capitalism away over the entire continent. However, the victory of Russia in the war had complex and contradictory consequences.

Temporarily, but nevertheless for an entire historical period, Stalinism had

been enormously strengthened. The terrible destruction and bloodletting to which the USSR had been subjected left her in an exhausted and weak state, while the US economy was intact, and indeed America had reached the apex of her power militarily and economically. But because of the mood of the peoples and the relationship of class forces on a world scale, the imperialists were impotent to start a new war against Russia.

Intervention even on a scale following that of the first world war was impossible. On the contrary, the Allies were forced to swallow the Russian hegemony of Eastern Europe and parts of

Asia which they would never have agreed to concede even to reactionary Tsarism. The Russian bureaucracy had achieved the domination of the region beyond the wildest dreams of Russia under the Tsars.

The process whereby capitalism was overthrown in Eastern Europe, and Stalinism extended, took place in a peculiar way, as explained by the author of the present work in documents published at that time. The vacuum in the state power in Eastern Europe, following the defeat of the Nazis and their quislings, was filled by the forces of the conquering Red Army. The weak bourgeoisie of these areas had been

largely exterminated, absorbed as quislings by German imperialism or reduced to minor partners of the Nazis during the years of the war. They had been relatively weak in Eastern Europe even before the war, as the states of this region were largely semi-colonies of the great powers on the lines of the South American states. The prewar regimes suffered from a chronic crisis due to the Balkanisation of the area and the incapacity of the ruling class to solve the problems of even the bourgeois democratic revolution. They were nearly all military police dictatorships of a weak character without any real roots among the masses.

The victory of Russia during the war undoubtedly provoked an upsurge among the masses either rapidly or in some countries, delayed for a time. The socialist revolution was on the order of the day. This was dangerous not only for the bourgeoisie but also the Kremlin, which saw any independent movement of the workers as a threat. In order to prevent the workers from carrying through the socialist revolution on the lines of October, they had their agents proclaim that the time was not ripe for socialist revolution. Instead, they proclaimed the establishment of a People's Democracy. The bureaucracy achieved their aims by skilfully veering between and manipulating the classes in

typically Bonapartist fashion. The trick was to form a popular front between the classes and to organise a government of "national concentration". However this popular front had a different basis, and different aims in view than the popular fronts of the past.

In Spain the aim of the popular front was to destroy the power of the workers and the embryonic workers' state, by liquidating the workers' revolution. This was achieved by making an alliance with the bourgeoisie, or rather the shadow of the bourgeoisie, strangling the control which the workers had established in the factories and the armed workers' militia and re-

establishing the capitalist state under the control of the bourgeoisie. As a consequence of this policy, towards the end of the war there was a military police dictatorship on both sides of the lines.

The aim of the coalition with the broken bourgeoisie or its shadow in Eastern Europe had different objectives than that of handing control back to the capitalist class. In previous popular fronts the real power of a state--armed bodies of men, police and the state apparatus--was firmly in the hands of the bourgeoisie with the workers' parties as appendages. In Eastern Europe, with one important variation or another, the real power, i.e.

control of the armed bodies of men and the state apparatus, was in the hands of the Stalinists. The bourgeoisie occupied the position of appendage without the real power. Why then the coalition? It served as a cover under which a firm state machine on the model of Moscow, could be constructed and consolidated.

By introducing land reform and expropriating the landlord class, they secured for the time being the support or acquiescence of the peasants. Having consolidated and built up a strong state under their control, they then proceeded to the next stage. Mobilising the workers, they turned on the bourgeoisie, whom they no longer required, to

balance against the workers and peasants, and step by step they proceeded to their expropriation. The bourgeoisie without the support of outside imperialism was incapable of decisive resistance. A totalitarian regime approximating more and more to the Moscow model was gradually introduced. After the elimination of the bourgeoisie, and the beginning of a large scale industrialisation, the bureaucracy turned against the peasants and started on the road of the collectivisation of agriculture.

The establishment of bureaucratically deformed workers' states in Eastern Europe, and shortly after in China, had

the effect of strengthening world Stalinism for a whole historic period. The strengthening of the USSR and the enfeeblement of European capitalism created a dangerous situation for American imperialism, which was forced to shore up and underwrite the European powers, France, Germany, Italy, Britain, as well as Japan. In 1947, the Marshal Plan was proclaimed to rebuild European capitalism. The price paid for this assistance was the domination of American imperialism within the Western Alliance. The entire course of international relations was dominated by the two superpowers, American imperialism on the one hand and the Russian bureaucracy on the

other. In March 1946 at Fulton USA, Churchill talked of an Iron Curtain running from the Baltic to the Adriatic. It signalled the beginning of an intense diplomatic, political and strategic rivalry between the two social systems--the cold war. The Stalinists were unceremoniously thrown out of the governments of Italy and France in 1947, and within two years NATO had been formed and Germany divided between East and West.

Victory in China

An analogous process unfolded when Mao took power in China at the head of a peasant army in 1949. Up to the

Russian Revolution even Lenin denied the possibility of the victory of the proletarian revolution in a backward country. The Revolution of 1944-49 did not proceed on the model of 1917 or of the Chinese Revolution of 1925-27. It was a peasant war, which took place because of the complete incapacity of the bourgeoisie to carry out the tasks of the bourgeois-democratic revolution--the ending of landlordism, national unification and the expulsion of imperialism--and ended in victory for the Chinese Stalinists. This was a gigantic step forward for the Chinese people and for the oppressed workers and peasants of the entire world. Indeed, after the Russian Revolution, the

revolution in China represents the second greatest event in human history. A mighty nation of 800 million people, who had been treated by their foreign masters as dumb pack animals, was suddenly propelled to the forefront of world history, which it still occupies.

For all its world-shaking significance, the 1949 Revolution was not at all like the October Revolution. The programme of the Chinese Stalinists in 1949 was not fundamentally different to that of Castro a decade later in Cuba: 50 or 100 years of national capitalism and an alliance with the national bourgeoisie. Hence the belief of many American bourgeois that they were "agrarian reformers". Only the

Marxist tendency in Britain argued against the Stalinists and others when we explained not only the inevitability of Mao's victory and the establishment of a deformed workers' state, but also the inevitability of a split at a certain stage between the Chinese bureaucracy and Moscow. This was at a time when Mao and the Chinese Communist Party had the programme of capitalism and "national democracy".

Power was gained through the peasant war by giving land to the soldiers in Chiang Kai-shek's army. Then, once military victory was achieved, landlordism and capitalism were abolished, but in a peculiar Bonapartist

fashion, without the direct conscious participation of the working class. This was later accepted as something normal, and even taken as the model for the revolution in colonial countries. But it was completely removed from the conceptions of Marx and Lenin. *Never before in history had it even been theoretically posed that a peasant war on classical lines could lead to a workers' state, however deformed.*

The workers in China were passive throughout the civil war for reasons we will not enter here. In fact, what we have here is a perfect example of one class--the peasants in the form of the Red Army--carrying out the tasks of another--

the working class. It is not the first time that this has happened in history. The German Junkers carried out the tasks of the bourgeois democratic revolution in Germany, and the same tasks were carried out by the feudal regime in Japan. But when one class carries out the historical tasks of another, inevitable distortions arise. Certain things flow from this fact.

In the past the peasant army was the classical instrument, not of socialist revolution, but of (bourgeois) Bonapartism. In typical Bonapartist fashion, basing himself on the peasant Red Army, Mao balanced between the classes in order to consolidate himself

in power. He leaned on the workers and peasants to perfect a state in the image of Moscow, after which he could snuff out the bourgeoisie quite painlessly. As Trotsky put it, to kill a lion you need a gun, for a flea, a fingernail will suffice! Having balanced between the bourgeoisie, workers and peasants in order to prevent the workers from taking power, Mao and the Stalinist leadership could then expropriate the bourgeoisie before turning on the workers and peasants to crush whatever elements of workers' democracy had developed.

The bureaucracy then developed a totalitarian one-party dictatorship, centred round the Bonapartist

dictatorship of a single individual--Mao. Of course, such a regime had nothing in common with a healthy workers' state, let alone socialism. It had nothing in common with the methods of the proletarian revolution in Russia in 1917, where power was exercised by the proletariat through the elected workers' and soldiers' soviets. The Maoist regime was deformed from the outset, as a hideous one-party totalitarian state. The Chinese Revolution of 1949 began where the Russian Revolution had ended.

Not for nothing has Marxist theory given the task of achieving the socialist revolution and the transition to socialism

to the working class. The emancipation of the working class is the task of the workers themselves! This is not an arbitrary affirmation. It is a product of the unique role in production of the proletariat which gives it a specific consciousness possessed by no other class. Least of all can the peasant small proprietor develop this consciousness. A revolution based on that class by its very nature would be doomed to degeneration and Bonapartism. It is precisely because a proletarian Bonapartist dictatorship protects the privileges of the elite of state, party, the army, industry and the intellectuals of art and science that it succeeded in so many underdeveloped countries in the postwar

period.

From a Marxist standpoint, it is an aberration to think that such a process is normal. It can only be explained by the impasse of capitalism in China, the paralysis of imperialism, the existence of a strong deformed Bonapartist state in Stalinist Russia, and most important of all, the delay in the victory in the industrially advanced countries of the world. The colonial countries could not wait. The problems were too crushing. There was no way forward on the basis of capitalism. Hence the peculiar aberrations in colonial countries. But the price for this, as in the Soviet Union, would be a second political revolution

to put the control of society, industry and the state in the hands of the proletariat. Only thus could the first genuine beginnings of the transition to socialism, or rather steps in that direction, commence.

A similar process occurred later in Cuba, where Castro came to power on the basis of a guerrilla war. The wide support for "socialism" not only among the working class, but among the peasants and wide layers of the petty bourgeoisie in the cities in colonial countries, was the expression of the complete blind alley of landlordism and capitalism in the ex-colonial world in the modern epoch. It was also a result of

the Russian and Chinese Revolutions and their achievements in developing industry and the economy. It was these factors that laid the groundwork for the development of proletarian Bonapartism. In the last analysis, the state can be reduced to armed bodies of men. With the defeat and destruction of the police and army of Chiang Kai-shek, with the destruction of the army of Batista in Cuba, power was in the hands respectively of Mao and Castro. The fact that nominally Mao was a "Communist" and Castro a bourgeois democrat altered nothing.

The rule of the Russian bureaucracy would have been swiftly undermined by

the coming to power of the workers along classical lines in these countries. But in Eastern Europe and China, the old bourgeois state was destroyed, and replaced by a regime of proletarian Bonapartism. They began where the Russian Revolution had ended. The establishment of such regimes presented no threat to Moscow. On the contrary, it strengthened the stranglehold of the bureaucracy for a whole period.

Given the delay of the socialist revolution in the advanced capitalist countries of Western Europe, Japan and the USA, the colonial masses could not wait. They waged a heroic struggle against imperialism, which inevitably

tended to turn into a revolutionary war against landlordism and capitalism, as in Vietnam. The barefoot army of Vietnamese peasants inflicted the first real military defeat on the USA in history. The Algerian workers and peasants succeeded, after a long and bloody struggle, in forcing French imperialism into abandoning direct rule. The failure of imperialism to crush the revolutions of the former colonial countries was to a large degree a result of the opposition of the masses in the USA and Europe. When an army has had enough of fighting, when the workers in uniform say "no", no power on earth can move them. This fact explains the granting of independence to India and the

inability of US imperialism to send troops to fight on the side of Chiang Kai-shek, although they did send large quantities of arms, most of which ended up in the hands of the Red Army.

The Chinese peasant revolt which culminated in the peasant war of 1944-49, led by Mao Tse Tung, was in a sense derived from the defeated revolution of 1925-27, but entirely different from it in the role of the working class. It was a peasant war carried out first as a guerrilla war, and culminating in the conquest of the cities by the armies of the peasants. The socialist revolution, in contrast with all previous revolutions requires the conscious participation and

control of the working class. Without it, there can be no revolution leading to the dictatorship of the proletariat as understood by Marx and Lenin, nor can there be a transition in the direction of socialism.

A revolution in which the prime force is the peasantry cannot rise to the height of the tasks posed by history. The peasantry cannot play an independent role, either they support the bourgeoisie or the proletariat. Where the proletariat is not playing a leading part in the revolution, the peasant army, with the impasse of bourgeois society, can be used, especially with the existence of ready-made models, for the expropriation of

bourgeois society, in the Bonapartist manoeuvring between the classes and the construction of a state on the model of Stalinist Russia. Such was the case in China, Yugoslavia, and later in Cuba, Vietnam, Burma and in the other countries of proletarian Bonapartism.

However, the victory of the Chinese Revolution, which was initially opposed by Stalin, and the overthrow of capitalism in Eastern Europe fundamentally changed the world balance of forces, to the disadvantage of world imperialism. At the same time, these revolutions did not have the same effect as the October 1917 Revolution in producing a wave of revolutionary

radicalisation in the advanced countries. In each case, capitalism was overthrown, but in a distorted Bonapartist manner, with the workers playing a subordinate role. In each case the regimes which were set up were closely modelled on Stalinist Russia--with all the monstrous bureaucratic deformations, police terror, inequalities and lack of freedom. Such regimes had no basic attraction for the workers of the advanced capitalist countries.

From Stalin to Khrushchev

The victory of Stalinist Russia in the war, followed by the Chinese Revolution of 1949, and the

establishment of new Stalinist regimes in Eastern Europe meant the strengthening of the regime for a whole historical period. Flushed with success, the Stalinists were able to present their system as the "only form of socialism possible". The main reason for the apparent endurance of the Stalinist bureaucracy, however, was the fact that, throughout this period, it actually succeeded in developing the productive forces. From a backward, agricultural country, Russia had become transformed into the second industrial power on earth and the first military power.

For a long time it was fashionable to talk of the "German miracle" and the

"Japanese miracle" after 1945. But these achievements, while undoubtedly real, pale into insignificance when compared with the colossal advances made by the Soviet Union in the period of postwar reconstruction. No country on earth had suffered such devastation as this. Twenty seven million dead, and the wholesale destruction of its industry and infrastructure--this was the balance-sheet of four and a half years of bloody war on Soviet soil. Moreover, unlike Germany and Japan, the USSR did not enjoy the benefits of Marshall Aid. Yet the war devastation was overcome within five years, not with foreign aid, but by the planned use of resources and the colossal efforts of the population.

As a former officer of British Intelligence in Moscow, the writer Edward Crankshaw cannot be considered a sympathiser of the Soviet Union in any shape or form. Therefore his evaluation of the achievements of the Soviet economy can be taken as fairly objective. Moreover, these views were widely shared by Western observers at the time. Only now, in their indecent haste to bury the memory of October, do they resort to a blatant falsification of the historical records to show that nothing was really achieved by the planned economy. The following figures, cited by Crankshaw in his book *Khrushchev's Russia*, graphically illustrate the situation:

"On the eve of the first Five-Year Plan, in 1928, the production of steel was 4.3 million tons; of coal 35.5 million tons; of oil 11.5 million tons; of electric power 1.9 million kilowatts. At the end of the first Plan, in 1934, production had increased as follows: steel 9.7 million tons; coal 93.9 million tons; oil 24.2 million tons; electric power 6.3 kilowatts.

"By 1940, on the eve of the German invasion of the Soviet Union, production was as follows: steel 18.3 million tons; coal 166 million tons; oil 31 million tons; electric power 11.3 million kilowatts. At the end of the war, in 1945, production had declined as follows:

steel 11.2 million tons; coal 149.3 million tons; oil 19.4 million tons; electric power 10.7 million kilowatts. This in spite of the fact that much heavy industry had been shifted East, and that it had absolute priority.

"In 1946 Stalin gave new target figures. First the country had to be restored, then the economy had to be sharply expanded, to make the Soviet Union, as he said, 'proof against all accidents.' He envisaged a series of at least three Five-Year Plans. And his new target figures for 1960, at the earliest, were: steel 60 million tons; coal 500 million tons; oil 60 million tons. This was as far as Stalin's imagination could stretch. The

achievement of these targets in 15 years seemed not only to all outside observers, but also to the Russians and to Stalin himself, to mean at least another 15 years of privation and unrewarding toil for the Soviet people.

"And when the target was reached, in 1960, Soviet production would still be far behind American production as it was in 1950: steel 90 million tons; coal 700 million tons; oil 250 million tons.

"What in fact has happened? In all cases Stalin's 1960 targets have been surpassed: in 1958 the output of steel was only 2 million tons short of the 1960 total; the 1960 figure for coal was

reached; the 1960 figure for oil almost doubled--113 million tons.

"So although we can see that Dmitri Yershov's confident boasting was a little wild (the Soviet Union was producing a good deal less than 60 million tons of steel in 1956, and in fact is scheduled to produce well under Yermeshov's 100 million tons (86-91 million tons) in 1965) yet things are moving very fast indeed. More important, they are moving against a background of increased well-being throughout the country and increased freedom of thought, above all in the economic sphere.

"The presentation of the new Seven-Year

Plan in January 1959 was a paean of confidence, which, as expressed by Khrushchev, might be summed up as boom or bust. The new targets make the postwar dreams of Stalin look shabby and old-fashioned: steel 91 million tons; coal 609 million tons; oil 240 million tons." And he adds: "This is treading on America's heels with a vengeance." (Crankshaw, *Khrushchev's Russia*, pp. 25-7.)

Another commentator, Leonard Schapiro, who also cannot be remotely suspected of being a Friend of the Soviet Union concludes:

"In 1948 again the country had reached

the point where it was beginning to overcome the ravages which wartime destruction had inflicted on it. The recovery after 1947 was indeed remarkable. In 1947 overall industrial production had still not attained the level of 1940. By 1948 it had already exceeded it, and by the last year of Stalin's life, 1952, exceeded it two and a quarter times. In accordance with the well-established policy, the main advance was in the production of the means of production; thus, in 1952, production in this category was more than two and a half times that of 1940, whereas production of consumer goods had only increased by slightly over one and a half times." (L. Schapiro, *op. cit.*,

p. 510.) Can these figures be the result of rigged statistics? The same writer adds in a footnote: "The official figures may be exaggerated [and he refers the reader to another study which makes 'minor criticisms'] *but all Western experts agree that the rate of industrial recovery after 1947 was remarkable.*" (Ibid., p. 511, my emphasis.)

True, living standards remained low. The policy of the leadership was to concentrate on heavy industry at the expense of consumer goods, although to some extent this was inevitable, given the massive destruction caused by the war. But so long as the productive forces were being developed, the workers felt

that society was going forward. The country was flush with military triumph and jubilation at the tremendous blow struck against fascism and the overthrow of capitalism in Eastern Europe and China. There were further advances in health and education. A whole new correlation of forces emerged within the USSR, with the advance of the economy and the near complete elimination of illiteracy. However, the lion's share of the wealth created by the workers was taken by the bureaucracy, while the working class had no say on how the resources of the USSR should be allocated.

Despite the low standard of living and

the material hardships (the problem of housing was particularly acute), there was a general feeling of optimism. This is in stark contrast to the present position, where the collapse of living standards associated with the movement in the direction of capitalism produces no optimism, but only fear and lack of confidence in the future. This can easily be demonstrated with reference to the level of population growth. After the war, the birth rate grew rapidly. In the last five years, the birth rate has slumped, not only in Russia, but throughout Eastern Europe. This most elementary of human responses tells us far more about people's real attitude to society than any amount of election

statistics.

With these successes at home and abroad, the bureaucracy looked to the future with great optimism. Their power and prestige increased in the same degree as that of the Soviet Union itself. The ruling caste looked forward to continuing its "historical mission" for centuries. At the same time, the gap between the privileged officials and the masses continued to increase far faster than the growth in production.

After the war, differentials continued to widen. Direct bribes were introduced called pakety (packets) in the higher state and party institutions. On a monthly

basis higher officials received a packet containing a large sum over and above their salary. These were special payments paid through special channels, not subject to tax, and kept totally secret. "As for members of the Politburo and Stalin himself," relates Medvedev, "the cost of keeping them does not submit to calculation. The numerous dachas and apartments, the huge domestic staff, the expenses for their staff and guards rose to millions of roubles yearly. As for the cost of maintaining Stalin, that nearly defies calculation." (Medvedev, *Let History Judge*, p. 843.) The income of the bureaucracy is derived from "legal" and "illegal" means.

"The bureaucracy enjoys its privileges under the form of an abuse of power," said Trotsky. "It conceals its income; it pretends that as a special social group it does not even exist. Its appropriation of a vast share of the national income has the character of social parasitism."

(Trotsky, *The Revolution Betrayed*, pp. 249-50.) This fact does not contradict the numerous demagogic campaigns by Stalin and other Soviet leaders against "bureaucracy", which were carried out as a means of periodically curbing the excesses of the caste. It was not to weaken the bureaucratic elite, but to strengthen it.

In the postwar years the ratio between

the real wages of an industrial worker and the salary of the highest official became incredibly wide. The wage differential between workers and the managers were in general greater than even in the capitalist West. "In a small research institute concerned with the problems of training manual and professional workers where I was employed for 10 years," recalls Roy Medvedev, "the difference between the lowest salary for research assistant, 60 to 70 roubles a month, and that of the most highly paid section head was in order of 1:13. In the larger institutes of the academy of sciences the ratio between the salary of a laboratory assistant or a junior research worker

with no degree and that of a top academic in charge of a department is 1 to 15 or 1 to 20.

"In the Soviet ministries and the important military establishments the ratio between the highest and the lowest rates of pay is also 1 to 20 or even 1 to 30, but if one takes into consideration the many services available to officials at public expense (food coupons, medical treatment, holidays, personal transport, etc.) the total value translated into monetary terms would make the ratio of 1 to 50 or sometimes even 1 to 100." (R. Medvedev, *On Socialist Democracy*, pp. 224-5.) This differential was greater than in the

capitalist West.

This situation could not last indefinitely. The working class is willing to make sacrifices under certain circumstances, particularly when it is convinced that it is fighting to transform society along socialist lines. But the prior condition for such a conviction is that there should be equality of sacrifice. But when the sacrifices and efforts of the workers are abused to create monstrous privileges for a few, sooner or later the fraud will lead to an explosion. This is all the more true in a society which purports to speak in the name of socialism and communism.

Stalin's last purge

"Power tends to corrupt," wrote Lord Acton in a celebrated phrase, "and absolute power corrupts absolutely." Certainly, totalitarian regimes of all kinds seem to have this effect. By blurring the difference between reality and the will of the individual, a regime of absolute power, in which all criticism is prohibited, serves eventually to unbalance the mind. This almost certainly happened with Hitler. And towards the end, Stalin's mind was clearly unhinged. In the absence of any check or control he believed himself to be omnipotent. Fear of the masses drove the bureaucracy to close ranks still more

fervently around the Leader who guaranteed their privileges. The growth of the economy was paralleled by a sharp increase in repression and in the cult of Stalin. At the 19th Party Congress, the cult of Leader attained its most grotesque expression. Here are just a few examples from Malenkov's closing speech:

"Of cardinal importance to Marxist-Leninist theory and to all our practical activity is the work of Comrade Stalin just published: *Economic Problems of socialism in the USSR*. (Loud and prolonged applause)É

"Thus the Party's plans for the future,

defining the prospects and ways of our advancement, are based on a knowledge of economic laws, on the science of the building of communist society worked out by Comrade Stalin. (Loud and long continuing applause.)

"A major contribution to the Marxian political economy is Comrade Stalin's discovery of the basic law of modern capitalism and the basic economic law of socialism (!)

"Comrade Stalin's discovery
Comrade Stalin shows
Comrade Stalin has shown us
Comrade Stalin discovered
Comrade Stalin has revealed

"The works of Comrade Stalin are

graphic testimony to the paramount importance our Party attaches to theoryÉ Comrade Stalin is constantly advancing Marxist theoryÉ Comrade Stalin has disclosed the function of language as an instrument of social development, and indicated the prospects for the future development of national cultures and languagesÉ"

And finally, after numerous interruptions by "applause", "prolonged applause", and "loud and long continuing applause":

"Under the banner of the immortal Lenin, under the wise leadership of the great Stalin, forward to the victory of Communism!É"

"(On the conclusion of the report, all the delegates rise and greet Comrade Stalin with loud and prolonged cheers. There are cries from all parts of the hall: 'Long live the great Stalin!' 'Hurrah for our dear Stalin!' 'Long live our beloved leader and teacher, Comrade Stalin!')" (*Report of 19th Congress of the CPSU*, pp. 134-44.)

Not satisfied with this, Stalin was preparing to launch a further series of bloody purges in Russia on the lines of 1936-38. He no longer trusted anyone. Lifelong Stalinists were rounded up and imprisoned. In 1952, Stalin accused his faithful puppets Voroshilov and Molotov of being British spies, and banned them

from attending meetings of the leadership. Mikoian was denounced as a Turkish spy and even Beria was banished from Stalin's presence! At the 22nd Congress, Khrushchev described the paranoid atmosphere in Stalin's leading circle: "Stalin could look at a comrade sitting at the same table with him and say: 'Your eyes look shifty today.' It could be taken for granted that afterwards the comrade, whose eyes were supposedly shifty, would be under suspicion." (*The Road to Communism--Report on the 22nd Congress CPSU*, p. 111.)

In January 1953, *Pravda* announced the so-called Doctor's Plot, a "group of

saboteur-doctors" who had been arrested for murder and attempting to "wipe out the leading cadres of the USSR". Most were Jews and were accused of links with the Jewish organisation *Joint*, which was under the direction of US imperialism. Three of those arrested were accused of working for British intelligence. A campaign against the Jews was conducted under the guise of "cosmopolitanism and Zionism". Pravda began to whip up a campaign against threats of "counter-revolution". It looked like the prelude of another mass purge, which sent a shudder through the ruling circle. There is no doubt that Stalin intended to liquidate them all. "All the signs pointed

to another 1937", states Medvedev. (R. Medvedev, Let History Judge, p. 558) But it was not simply self-interest that motivated them, but a mass purge would endanger the whole position of the bureaucracy.

Stalin's actions were endangering the position of the whole bureaucracy. It was not only that he was threatening to murder the top layer. The Soviet Union was only just recovering from the devastation of the war. To plunge it again into the chaos and lunacy of another purge would have had the most catastrophic effects. However, on the 5th March 1953, Stalin suddenly died. Even if he was not murdered--and all the

evidence suggests that he was--his death could not have come at a more opportune time. Shortly afterwards, the Doctor's Plot was declared a fabrication. Rather than a bloody purge that threatened the whole basis of the regime, reforms from the top were needed to maintain bureaucratic rule intact.

Stalin's death provoked a power struggle within the bureaucracy. The bureaucracy were forced to loosen their control. Reforms were needed from above to prevent revolution from below. Huge protests had already rocked the regime in East Germany. Mass uprisings had taken place in the labour camps, which

were bloodily suppressed. Ferment among the workers and intelligentsia reached new heights. Those that favoured "reform", headed by Khrushchev, succeeded in taking the reins of power. As Khrushchev himself explains in his memoirs, the bureaucracy were terrified of the movement the "thaw" may unleash. But they had no alternative. "We in the leadership", states Khrushchev, "were consciously in favour of the thaw, myself includedÉ We were scared--really scared. We were afraid the thaw might unleash a flood, which we wouldn't be able to control and which could drown us. How could it drown us? It could have overflowed the banks of the Soviet riverbed and formed

a tidal wave which would have washed away all the barriers and retaining walls of our society. From the viewpoint of the leadership, this would have been an unfavourable development. We wanted to guide the progress of the thaw so that it would stimulate only those creative forces which would contribute to the strengthening of socialism."

(Khrushchev, N., *Khrushchev*

Remembers: The Last Testament, pp.

78-9.) For "socialism", read "the rule of the bureaucracy". As a consequence, a purge of the top hardline Stalinists was carried through. The state secret police was brought to heel and Beria was shot. The most draconian laws were removed and the forced-labour camps were

reduced in number, following strikes and uprisings of the prisoners in Vorkuta and other camps. An amnesty was granted to all, except *political* prisoners.

The imbalances of the Soviet economy, where everything was sacrificed to the building of heavy industry, was now partially corrected towards the production of consumer goods.

Khrushchev introduced a whole series of price reforms and measures to increase production. General concessions were made to the workers. The regime in the factories was loosened up. The average wage rose from Rbs715 a month in 1955 to Rbs778 in 1958. The official price index showed little change from 1954 to

1980. Many prices were cut. In 1957 the campaign began to catch up with the United States in the production of meat, milk and butter. The combined income in cash and kind from collective work rose from 47.5 milliards in 1952 to 83.8 milliards in 1957. Real consumption per head increased by 66 per cent between 1950 and 1958, by which time it had reached a level of three times that of 1944.

The USSR was no longer the primitive economy of the past, but was emerging as the second world superpower. Around half the population now lived in the towns. The number of workers rose dramatically from 3.8 million in 1928 to

17.4 million in 1955. As opposed to this, the numbers in the USA rose by only a third over the same period. The Soviet industrial working class in 1928 was roughly a third of the US; in 1955 it was slightly larger. The Soviet proletariat had grown every year since the second world war by two to three million a year. There was a massive concentration of the proletariat in factories that dwarfed those in the West. For example, there was a staggering 200,000 workers in the Gorky car plant. In the Togliatti factory there were some 170,000 workers. It was the biggest and most powerful working class in the world.

Shorter hours were introduced for young workers without loss of pay, longer holidays, and a shorter working week by two hours, with further reductions to come, a seven-hour day to be introduced in stages; paid maternity leave to be extended to 112 days, increased pensions and disability benefits--which increased the average pension by 81 per cent. A huge house building programme was undertaken. In the 20 years between 1950 and 1970, Soviet food consumption per head doubled, disposable income quadrupled, and purchases of consumer durables rose 12 times. (Quoted in F. Halliday, *The Making of the Second Cold War*, pp. 138-9.)

In 1956, at the 20th Party Congress, Khrushchev made his famous "de-Stalinisation" speech. Every crime was placed at the door of Stalin. The problem was alleged to be the "cult of the personality". Stalin was held responsible for the frame-ups, the murders, the persecutions, the concentration camps, and the other horrific crimes against the Soviet working class and the national minorities. But how could a single individual carry through these acts? Such a position has no relation to Marxism, which does not explain history in terms of "Great Individuals". The materialist conception of history explains that, if an idea is put forward (even an incorrect

idea) and gets mass support, then that idea must represent the interests of some class or group within society. So, if Stalin did not represent the proletariat, who did he represent? Himself? No. Stalin represented the bureaucratic caste, the millions of privileged officials who dominated the Party and government, and who ran industry, society and the state in their own interests.

After castigating Stalin, Khrushchev turned to "comrade" Beria, who he described as an "abject provocateur and vile enemy" who murdered thousands of Communists and loyal Soviet people. It has now been established that this

villain had climbed up the government ladder over an untold number of corpses". This was certainly true, but it is applicable not only to Beria, but to all the other bureaucrats who eagerly participated in Stalin's crimes as a means of furthering their careers and feathering their nests.

Soviet imperialism?

It is not correct to maintain, as the bourgeois and the supporters of the theory of state capitalism do, that the relationship between the Soviet Union and Eastern Europe was of an imperialist sort. It is not generally realised that, apart from the initial

period just after the war when Moscow bled Eastern Europe, the terms of trade were actually extremely favourable to the countries of Eastern Europe. As a rule, Russia bought their products at prices higher than world market levels, and in return sold them oil and natural gas below world prices. In effect, Eastern Europe was being subsidised by the USSR--the exact opposite of an imperialist relationship.<

In the period immediately after the war, it is true, the Russian bureaucracy looted Eastern Europe. They stripped whole industries and carted them off to Russia, not only from Germany and Hungary, but even from Yugoslavia. After the war,

Milovan Djilas, at that time a prominent leader of the Yugoslav League of Communists, was sent to Moscow to negotiate, among other things, the return of Yugoslav rolling stock which had been shipped to Russia. In his memoirs, Djilas reproduces his conversation with A.I. Mikoyan, the Soviet minister of foreign trade:

"Mikoyan received us coldly, and betrayed his impatience. Among our requests was that the Soviets deliver to us the railway wagons from their zone of occupation which they had already promised us--for many of these cars had been taken out of Yugoslavia, and the Russians could not use them because

their track gauge was wider than ours.

"And how do you mean that we give them to you, under what conditions, at what price?' Mikoyan asked coldly.

"I replied. 'That you give them to us as gifts.'

"He replied curtly, 'My business is not giving gifts, but trade'." (M. Djilas, *op. cit.*, p. 130.)

Far more than any statistics, this little incident reveals the haughty, overbearing attitude of the Moscow bureaucracy to its "brothers" in Eastern Europe.

Nevertheless, the relationship was not at all an imperialist one, in the Marxist

sense of the word. This was revealed later on, when the relation was reversed.

The introduction of a regime of nationalisation and planning enabled the economies of these countries to register very high rates of growth, transforming themselves from formerly backward agricultural economies into developed modern countries. In the Soviet Union they found a big market for their products, guaranteed against the violent swings of the world capitalist economy, and a source of cheap raw materials.

Far from exploiting Eastern Europe as an imperialist power exploits its colonies, if we exclude this period

immediately after the war, the USSR actually subsidised them for decades. Living standards in the Soviet Union were generally lower than in the countries of Eastern Europe. In the period under consideration, there was a shift in the trade of the USSR away from Eastern Europe, and towards the rest of the world. In 1960, 52 per cent of its trade was with Eastern Europe. By 1979, the figure was 44 per cent--still very high.

Soviet oil was sold to Eastern Europe at this time at a discount of 17 per cent on world market prices. In the previous period, it had been even greater, but this still represented a huge advantage,

especially if we bear in mind that the whole Western world was then reeling from the shock increase in oil prices following the six day war between Israel and Egypt. This discount on oil alone represented a subsidy of \$2.9 billion a year. In addition to this, the USSR paid for imports above world market prices from its Comecon partners (the East European equivalent of the European Union).

Cuba alone received a subsidy of \$1 million a day from the 1960s until the collapse of the USSR. In 1978, for example, the USSR bought Cuban sugar at 40 cents a pound, when world prices were only 18 cents a pound. In 1977,

Cuba bought Russian oil at \$7.40 a barrel, when world prices stood at \$20.50--a discount of no less than 60 per cent! In the period 1966-78, Soviet aid to Cuba totalled \$13 billion, an important amount for a small island. This included interest-free loans, in contrast to the bleeding of the third world through "aid" from the West--loans with crippling rates of interest--which has led to a massive transfer of wealth from the former colonies to the wealthy imperialist countries in the last decades. One only has to compare the two cases to see the complete falsity of the description of the USSR as an "imperialist" power.

Of course, this does not mean that there was no national oppression.

Robespierre once made the profound remark that nobody welcomes missionaries with bayonets. The long history of the suppression of, say, Polish and Hungarian freedom by Tsarist Russia meant that relations between the Soviet Union and these countries had to be handled with great sensitivity--as Lenin had always advocated in relation to Georgia and the other non-Russian peoples of the USSR. Instead, the Russian bureaucracy rode roughshod over the national aspirations of the peoples of Eastern Europe. Everywhere Moscow implanted a regime in its own image. Puppet governments were

imposed, which slavishly carried out the dictates of the Kremlin. No dissidence was tolerated. The leaderships of the Communist Parties were ruthlessly purged, with show-trials modelled on the infamous prewar Moscow trials.

Together with absolute power came paranoia. Seeing enemies in every corner, Stalin launched a bloody purge in the Communist Parties of Eastern Europe, which led directly to the split with Yugoslavia. In his struggle with Tito, Stalin staged a number of show trials against imaginary Titoists throughout Eastern Europe. It was the period of the Slansky trial in Czechoslovakia, Rajk trial in Hungary,

and the Kostov trial in Bulgaria. Slansky and ten others were found guilty of "spying and sabotage" and shot. In 1963 the Prague Supreme Court squashed the verdicts. Rajk and his comrades were hanged by the regime as Gestapo agents. They were rehabilitated in 1956 due to "trumped-up charges". Traicho Kostov was charged with sabotaging Bulgarian-Soviet trade and executed. Georgi Dimitrov, who had considered forming a bloc with Tito to create a Balkan Federation, was also probably murdered by the GPU. This stored up bitterness and resentment that finally burst through in the uprisings of 1953 and 1956.

The Hungarian Revolution

In the summer of 1953, shortly after Stalin's death, there was a revolutionary movement of the East German workers. It started with a spontaneous strike of the building workers in Berlin. Protesting against the intolerable conditions and impossibly high norms of production, they downed tools and marched along the Stalinallee, shouting slogans which soon acquired a political character. The demonstration triggered off a mass movement which could have led to the overthrow of the Stalinist regime in East Germany. The regime was powerless. But Moscow could not tolerate such a development, and sent in the tanks to put down the uprising.

In 1956, the movement flared up again, this time in Poland, the beginning of a long drawn-out struggle of the Polish working class to free itself from bureaucratic rule. Time after time for a period of over three decades, the Polish masses moved into action to throw off the Stalinist yoke, which was all the harder to bear because it was identified with the historical oppression of the Polish people by Russia. In an unclear fashion, the Polish proletariat was striving for a regime of workers' democracy, which would enable it to live with honour and dignity, as masters in their own house, not slaves of hated foreign rule.

As the bureaucracy had feared, the denunciation of Stalin's crimes by Khrushchev at the 20th Congress was the immediate spark which ignited the powder keg. The "thaw" had opened up the floodgates. In June 1956, taking advantage of the disarray in Moscow, the Polish masses rose. A general strike in Poznan rapidly spread throughout the country. Workers' councils were set up in the factories, the embryo of soviets which could have meant the transfer of power to the workers. But the movement was taken over by the Communist Party, which, under the leadership of Wladyslaw Gomulka (who had been imprisoned under Stalin) proclaimed reform and independence.

The so-called "Polish road to socialism" served as a fig-leaf for the continued rule of the bureaucracy. But it succeeded in temporarily derailing the movement on nationalist lines. 800,000 demonstrated their support for Gomulka, the representative of the Polish bureaucracy, which in effect was leaning on the Polish masses to gain concessions from Moscow. Realising that an invasion would signify a bloodbath, Khrushchev bowed to the inevitable and arrived at a compromise with Gomulka, satisfied that the "fraternal" Polish bureaucracy would hold the line, and prevent the working class from coming to power.

No sooner had Khrushchev denounced

Stalin, when in October the Hungarian Revolution broke out. The Hungarian Revolution of October 1956 was an attempt by the working class to turn Hungary into a healthy workers' state. The workers organised revolutionary committees, which they did not call soviets, because the rule of the Stalinists had made the word stink. Nevertheless, instinctively they attempted to go back to the ideas of Lenin and Trotsky. Had the Hungarian Revolution succeeded, it would have meant the collapse of the bureaucratic regime in Russia. For this reason, Khrushchev had it put down in blood. The Stalinist press denounced the movement of the Hungarian working class as "fascists" and "counter-

revolutionaries". However, those Russian soldiers who had been based in Hungary viewed the revolution with sympathy and fraternised with the population. A section went over and joined the fight against the hated AVO (secret police). If a conscious revolutionary leadership with an internationalist programme had been present, it could have been the starting point for a complete transformation in the whole of Eastern Europe and the Soviet Union. The same year had witnessed a general strike in Poland, and Russia itself was in a state of ferment following Khrushchev's denunciation of Stalin at the 20th Congress of the CPSU.

Because they could not rely on the Soviet troops in Hungary, Moscow had to withdraw them, and replace them with backward troops from the Soviet Far East, who were told that they were being sent to put down a fascist revolt in Berlin. They were moved straight into action in tanks, with no possibility of meeting and fraternising with the population.

Despite overwhelming odds, the Hungarian workers fought like tigers, staging two general strikes and two armed insurrections, both before and after the Russian invasion--hardly the weapons of fascism, as the Stalinists maintained! Years later a Russian army

officer who had fought in the second world war told Alan Woods that he had never seen such ferocious resistance, even in the taking of Berlin in 1945. But inevitably, without an internationalist leadership capable of winning over the Russian troops, the Hungarian workers were defeated.

There are many lessons in the Hungarian uprising of 1956. Firstly, as Trotsky had foreseen, when faced with a general uprising of the proletariat, the bureaucracy split. Only a tiny handful of the most corrupt and degenerate element, mainly those connected with the AVO, were prepared to resist. Thousands of ordinary members of the Communist

Party tore up their cards and joined the revolution. The government of Imre Nagy was suspended in mid-air. All power was in the hands of workers' councils, especially the Budapest workers' councils, which consisted exclusively of elected delegates from the factories. The programme of the workers' councils was broadly similar to the four points worked out by Lenin in 1917 as the preconditions for workers' power. To these points, significantly, the Hungarian workers added a new one--no more one party state! After the experience of Stalinist totalitarianism, never again would the working class entrust power to a single party.

"Today, 14 November 1956, the delegates from the District Workers' Councils formed the Central Workers' Council of Greater Budapest", reads the Council statement. "The Central Workers' Council has been given the power to negotiate in the name of the workers in all the factories of Budapest, and to decide on the continuation of the strike or return to work. We declare our unshaken loyalty to the principles of socialism. We regard the means of production as collective property which we are at all times ready to defend." (Quoted in *Eyewitness in Hungary*, by Bill Lomax (editor), p. 177.)

In a short time, the workers learned fast.

This is shown by the fact that the first broadcast of radio Budapest was an appeal for help to the United Nations, but the last appeal was to the workers of the world. This was a heroic episode, similar to the Paris Commune. It showed what could have happened in Russia, if the movement had spread, which was a real possibility, above all if there had there been a conscious leadership, like that of the Bolshevik Party in 1917. From the very beginning, they would have made a revolutionary appeal to the workers of Poland, of the whole of Eastern Europe, and above all to the workers of the USSR. Either the greatest of victories or the greatest of defeats. There was never any other alternative

for the Hungarian workers in 1956.

The delay of the political revolution in Russia, and the fact that the bureaucratic regime lasted another 35 years, had a very negative effect on the consciousness of the masses. It has meant that the impasse of Stalinism has, at least for the time being, led to a movement in the direction of capitalism. The lesson is clear. There is no substitute for the revolutionary party and leadership. No automatic mechanism exists where by the lessons of one generation can be transmitted to the next. Without the party every generation must painfully relearn the lessons of the past through their own experience. That is

why Lenin always insisted on the need for a vanguard party composed of cadres, as the memory of the class. All subsequent history, that of 1956 included, has shown this to be absolutely necessary. Unfortunately, the working class of Eastern Europe and Russia will have to learn all the lessons over again. But learn they undoubtedly will.

On the 4th October 1957 Russia launched the first sputnik, followed by the first man into space in 1961. More than twice the number were employed on the Soviet space programme as on the American. Such was the confidence of the Russian bureaucracy, that at the 21st Congress of the CPSU the goal was

proclaimed of "building communism" (!) within 20 years. In October 1961, at the 22nd Congress Khrushchev announced Russia's intention of overtaking the United States by 1980. Accordingly, "labour productivity in Soviet industry will exceed the present level of productivity in the USA by roughly 100 per cent". (*The Road to Communism-- Report of the 22nd Congress of the CPSU*, p. 515.) Khrushchev announced: "We will bury you!"

Nowadays, this is ironically dismissed as an idle boast. On the contrary. On the basis of Soviet growth rates of 10 per cent the target of overtaking America in 20 years would have been entirely

possible. That, of course, would not have meant that socialism had been built in the USSR, let alone communism, a classless society, in which inequality, the state and money had become distant memories of the past, and laws and coercion are replaced by an association of free producers. Nevertheless, under the planned economy, formerly backward Russia had developed industry, science and technique to a point where the material conditions now existed for beginning to move in the direction of socialism, which, as Marx explained, requires a level of development at least as high as the most advanced capitalist country. Now the Soviet Union was within striking

distance of drawing level with the USA. Only the bureaucracy stood in the way. And the bureaucracy had shown in Hungary that it had no intention of withering away.

Despite what they now say, the meteoric advance of the Soviet economy seriously alarmed the ruling class of the West. Russian industrial production had reached 75 per cent of the US level during the 1960s. The bureaucracy believed it could rule forever. It seemed the Stalinist regime thought things could only go forward. Nothing could stand in their way. The continuous high rate of growth served to explain the stability enjoyed by the bureaucratic regime for

the last period. Under Stalin, the bureaucracy ruled by naked terror. But for the last three decades or more, it was able to maintain its rule mainly because of the inertia of the working class. This, in turn, was explained by two factors: on the one hand, the fear of imperialist intervention, and on the other because the masses felt that, in spite of everything, the bureaucracy was still capable of carrying society forward. But now, all the factors which enabled the bureaucracy to survive for so long dialectically turned into their opposite.

Agriculture remained the weakest point of the regime. Food shortages and rising prices were a major cause of discontent.

The 1963 grain harvest was bad, and Russia was forced to import large amounts of wheat from the West. There was difficulty in supplying bread, especially flour. Discontent was growing. Khrushchev's policy had been to carry out a controlled reform from the top, in order to prevent a social explosion from below. The events in Hungary served a serious warning on the regime of what they might expect. However, this policy was not without dangers. The French historian-sociologist Alexis de Tocqueville pointed out in his classic study *The Ancien Régime and the French Revolution*, that the most dangerous moment for an autocracy is precisely

when it attempts to loosen the screws after a long period of repression. This was underlined in an episode that has been generally passed over in silence--the Novocherkassk events.

The Novocherkassk uprising

On the 2nd June 1962, the army opened fire on the strikers and inhabitants of the south Russian city of Novocherkassk during a mass rally in the central square. A large but unknown number of men, women and children were killed. Even at the time, news of the rebellion was suppressed so thoroughly that even the local radio station failed to report it. Only many years later, during the period

of glasnost did reports begin to circulate from survivors of the camps. Even then, they were not always believed. Such is the power of a totalitarian state to conceal information so as to prevent a movement from spreading.

The ferocity of the repression and the total suppression of information shows that the authorities were seriously alarmed by these events. This strike was part of a wider protest movement against the increase in prices announced by the government the same month. There had been other movements, in Karganda, Temirtau, Alexandrov, Murom and other cities. But none reached the same proportions as Novocherkassk. Here

were all the elements of a political revolution at least in embryo.

The most detailed eyewitness report was written by one of the participants, Piotr Siuda, a worker and the son of an old Bolshevik who had perished like so many others in Stalin's Purges. After several years in KGB prisons and labour camps, Siuda painstakingly collected all the available information which was published in the underground press (*samizdat*) in the 1980s. Although at the end of his life, Siuda turned towards anarchism, at the time of the events and for most of his life he considered himself a Leninist and a "non-Party Bolshevik".

From this account, it is clear that the strike had an entirely spontaneous character. How could it be otherwise, when the workers were denied all rights to organise outside the Communist Party and the official state unions, which defended management not the workers? On the 1st January, wages at the big electrolocomotive plant at Novocherkassk (NEVZ) were lowered by 30 to 35 per cent. On the same day, the government announced that the price of meat and dairy produce would go up by up to 35 per cent. This was the last straw for the workers, who had many other grievances, particularly the housing shortage. The stupidity and insensitivity of the management when

confronted with the workers' complaints added oil to the flames. Siuda recalls:

"There was no need to campaign for the strike among the workers of the plant. It was enough for the group which called for a strike to appear, and work stopped immediately. The mass of strikers was growing like an avalanche. At that time there were about 14 thousand workers at the plant. The workers went out to the plant grounds and filled the square near the plant management office. The square could not hold all the strikers." (*Russian Labour Review*, no. 2, 1993, p. 45.)

The immediate demands were economic in character, slogans appeared like:

"Give us meat and butter!" and "We need apartments!" The movement spread but maintained a disciplined character. Instinctively, the workers fraternised with the soldiers. The local garrison was sympathetic and could not be used:

"By the end of the work day the first military detachments of the Novocherkassk garrison arrived at the square but they were not armed. Having approached the people, the soldiers were immediately absorbed by the crowd. The soldiers and the strikers began to fraternise, to embrace and kiss each other. Yes, they kissed each other. It was difficult for the officer to separate the soldiers from the people, to gather

them and to take them away from the strikers." (Ibid., p. 46.)

As in Hungary, Moscow had to draft in backward peasant troops (in this case from the Caucasus) to use against the workers. The strikers' anger was increasingly directed against the government. There were demands to seize government offices. Then for the release of arrested strikers. The size of the movement kept growing:

"Columns of marchers were converging on the city from everywhere and there appeared red flags, portraits of Lenin. The demonstrators were singing revolutionary songs. Everybody was

excited, full of belief in their power and in the fairness of their demands. The column of demonstrators was becoming larger and larger.

"While approaching the bridge across the railway and the Toozlov river, the demonstrator noticed a cordon of two tanks and armed soldiers on the bridge. The column slowed to a standstill and the revolutionary singing died down. Then the dense mass of people moved slowly forward. Outcries were heard: 'Give way to the working class!' Then the shouts merged into a powerful, unified chant. The soldiers and the tankmen not only did not try to stop the column of marchers, but actually helped

the people get over the tanks. The stream of people flowed on both sides of the bridge cordon. The excitement grew. The revolutionary songs grew louder, more harmonious and more powerful." (Ibid., p. 48)

Finally, the strikers brushed aside the soldiers and occupied the CPSU committee building. At this point, the order was given to fire on the demonstrators. Even at this point, there was wavering among the troops. One officer committed suicide rather than issue such an order:

"Several witnesses reported that the officer who had been ordered to open

fire, refused to give the order to the soldiers and shot himself in front of the formation. But nevertheless the soldiers opened fire. First upwards, at the trees, at the children who fell down, killed, wounded, frightened. In such a way the party, the state and the army were eradicating different trends of thought, asserting the unity of the party and the people, proving the democratic character of the socialist state. Then the machine guns were pointed at the crowd." (Ibid., p. 49.)

In the secret trials that followed, seven people were accused of "banditry" and "mass riot" and sentenced to be shot. The number of those sent to labour

camp for between ten and 15 years is unknown, as is the number of people killed and crippled. Those arrested were forbidden all links with the outside world. Novocherkassk was placed under curfew. All news of the uprising was strictly suppressed. That the Kremlin took these events very seriously was shown by the fact that A.I. Mikoyan, Khrushchev's number two, was sent to the city. In the absence of leadership and a clear plan of action, the uprising could not succeed. But it undoubtedly played a role in hastening the overthrow of Khrushchev.

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Russia:

**from Revolution to
counterrevolution**

Part Six:

The Period of Stagnation

A good harvest the following year came too late to save Khrushchev. The bureaucracy decided that things had gone too far, and that the policies of the present Leader were putting the whole system in danger. They were terrified that the reforms from the top would indeed open the floodgates, just as De Tocqueville had predicted. And they acted just as one would expect a

threatened autocracy to act. They organised a conspiracy to put an end to the "irresponsible reformist adventure".

In October 1964 Khrushchev was dismissed. Typically, there was no congress, no explanations, no votes. The "beloved leader Nikita Sergeyeovich" was removed by a coup organised by his closest colleagues. No gratitude in politics--at least of the bureaucratic kind! Overnight the man who had been lionised by the world communist press suddenly became transformed into a non-person. Without a murmur, with no questions asked, the leaders of the Communist Parties immediately fell into line. This reminds one of something that

Maxim Gorky once wrote:

"Question: What do you do when you see a man falling?

Answer: Give him a push."

The bureaucracy hoped a change at the top would lead to better times. Leonid Brezhnev rose to power. He immediately blamed Khrushchev for the past failings, reversed a number of his reforms, and even went so far as to hide the improved 1964 statistics because they proved too favourable. But under Brezhnev, the crisis of Stalinism intensified with the rate of growth steadily declining to about 3 per cent or less. New measures were needed to reverse the slow-down.

To begin with, Brezhnev was forced to abandon in practice the reactionary utopia of economic autarky ("socialism in one country"). In a desperate attempt to stimulate the economy, the bureaucracy decided to participate in the world market. In fact, amazingly, this was written into the text of the Brezhnev constitution, the first time in history that participation in world trade has ever been elevated to the level of a constitutional principle! Probably this fact reflected internal conflicts within the ruling elite.

Lenin and Trotsky argued in favour of the participation of the Soviet Union in world trade, but they did not regard it as

a panacea, but only as a means of obtaining a temporary breathing space until the victory of the workers in the advanced capitalist countries would come to the aid of the USSR. The Soviet Union then was a very backward country. Trotsky predicted that, as the Soviet economy developed, it would be forced to abandon autarky and participate more and more in the world economy. But precisely because of that, the crisis in the West would have a bigger effect than in the past, albeit a marginal effect in terms of a fall of production. Far more important however, were the political consequences. Lenin correctly insisted on the need to integrate the Soviet

economy as much as possible with the world economy, to get the maximum benefit from the world division of labour. The short-sighted Stalinist bureaucracy was eventually compelled, under Brezhnev, to abandon autarky and embark on at least a limited participation on the world market.

Participation on world markets could have partially provided a check on the irresponsible and uncontrolled bureaucracy. Under the capitalist system, the working out of the law of value through the market to some extent provides a check. It is true that the big monopolies distort and mangle the operation of the market in their own

interests. The 500 big companies which presently account for something like 90 per cent of world trade use their muscle, immense strategic stocks, the speculative movement of funds, political pressure and outright corruption to obtain a bigger share of the labour of the working class than would be "normal" through the working of the law of value.

Nevertheless, they too are ultimately compelled to operate on the basis of the law of value.

From a Marxist point of view, the participation of the Soviet Union in the world economy was not only inevitable, but progressive. Already in the pages of the *Communist Manifesto*, Marx and

Engels explained that capitalism develops the world economy as a single, interdependent whole. It is impossible to separate off one of its component parts without introducing the gravest distortions. The experience of the USSR over half a century is sufficient proof of this assertion. By participating on the world market, the Soviet economy could have benefited from the world division of labour. Its scientists and technicians could have access to the most modern techniques and ideas. But by the same token, it was compelled to compare itself to the most advanced economies in the world, and in this mirror it was compelled to see all its defects shown up in the cruellest light.

The total trade turnover of trade for the USSR at the end of the 1970s stood at \$123 billion, a big increase, but still insufficient in proportion to the size of the Soviet economy. If we bear in mind that the equivalent figure for little Holland (which, admittedly, devotes an exceptionally high proportion of its GDP to exports) was \$132 billion, the discrepancy is immediately revealed. In the 1960s and 1970s, the foreign trade of the USSR went up from 4 per cent to 9 per cent of GDP. However, since world trade was growing still faster at that time, its actual share of the total decreased from 4.3 per cent to 3.8 per cent in this period. This was the amount of the USSR's share of world trade in

1979 and how it compared to other main countries:

1979 share of world trade:

USSR

3.8 per cent

Netherlands

4.1 per cent

Italy

4.6 per cent

UK

6.0 per cent

France

6.4 per cent

Japan

6.5 per cent

West Germany

10.1 per cent

USA

12.3 per cent

Others

46.2 per cent

It should be added that, although the

USA held 12.3 per cent of world trade, this represented a mere 6 per cent of its gross domestic product. Subsequently, however, this situation changed. With the squeezing of living standards, and the consequent reduction of internal demand, the USA has adopted an aggressive policy of increasing its exports at the expense of its rivals, in the first place, Japan. In the 1980s, it pushed up the portion of its GDP devoted to world trade from 6 per cent to 13 per cent, and plans to increase it to a staggering 20 per cent by the year 2000. This is tantamount to a declaration of war (at least, a trade war) against its main rivals, who are all equally determined to increase their share of world markets. It

goes without saying that in such a context, the outlook for a Russian capitalist regime are not very bright. But we shall return to this subject later on.

There was an immense potential in the Soviet bloc itself, if it had been organised as a harmoniously integrated whole. The Comecon was a unit of 450 million people, with a developed industry, a huge number of scientists and technicians, a vast area of agricultural land, and access to almost limitless mineral resources. The population of Comecon was 180 million more than the European economic community as then constituted. If to this we add over one billion Chinese, the staggering potential

for economic development immediately becomes clear. But the prior condition for this was the formation of a socialist federation of the USSR, Eastern Europe and China.

The only obstacle for realising this were the narrow national interests of each bureaucracy bent on defending its frontiers against its "socialist" neighbours. In fact, the degree of economic integration between the countries of Comecon was even less than that between the member states of the EEC. Thus, the pursuit of socialism in one country materially held back the progress of all these countries. Instead of pooling their resources in a rational

way, each national bureaucracy insisted in constructing its own heavy industry-- even tiny Albania, with predictably disastrous results. The final bankruptcy was the spectacle of Soviet and Chinese troops killing each other over an artificial and irrational frontier drawn up in the nineteenth century by the Russian Tsar and the Chinese emperor.

The Soviet Union lags behind

The important advances in absolute terms did not exhaust the issue. In relative terms, although progress was made, the gap with the most developed capitalist countries remained, as the following figures show:

GDP per capita 1979 (in US\$) was as follows:

West Germany

11,730

USA

10,630

France

9,950

Japan

8,810

UK

6,320

Italy

5,250

East Germany

6,430

Czechoslovakia

5,290

USSR

4,110

Hungary

3,850

Poland

3,830

Bulgaria

3,690

(Source: World Bank, *World Development Report 1981*, p.135.)

Nevertheless, if the USSR had maintained the average growth rate of 10 per cent, this gap could have easily been closed. Even if it had maintained a growth rate of 3 per cent per annum, by 1990 it would have attained the level of the EEC and Japan for 1980. This, in itself, would have been a remarkable success. It would undoubtedly have been sufficient to prevent the break-up of the USSR and the subsequent disaster which has befallen all the peoples of the former Soviet Union. All that would have been necessary was to reach at least the average rates of growth attained by the

West at this time. Given the potential of the planned economy, this should have been easily possible. In fact, such a target is far below the real possibilities, as the period of the 1950s and 1960s graphically show. Yet, shamefully, criminally, the bureaucracy was incapable even of reaching this miserable target.

By the 1960s, growth rates had begun to decline, and with this the growth of living standards. In the period 1951-60, the growth of industrial production was more than 10 per cent and the average for the decade was around 12 per cent per year. But in 1963 and 1964, officially claimed industrial growth

rates fell below 8 per cent, the lowest peacetime figures except 1933. It is no accident that in May 1961 the death penalty was introduced for a range of economic offences. Only in 1967 did industrial production increase by 10 per cent, while the average annual growth rate for the decade fell to 8.5 per cent.

The fall in Soviet economic growth was not due to the lack of new investment. In an article written in October 1966 by the Soviet economist V. Kudrov, he reveals the colossal investment that took place: "As regards overall investments, the USSR is close to the US level (roughly 90 per cent) and for the production investments and overall accumulation it

has already achieved noticeable superiority. But since this superiority is observed in conditions where the national income is only 62 per cent of the US national income, a certain strain is felt in the Soviet economy." (*World Marxist Review*, October 1966. Quoted by R. Black, *Stalinism in Britain*, pp.383-5.) Despite the strains, this mighty investment still failed to bring about comparable increases in labour productivity.

He continues: "During the Seven-Year Plan over one million metal cutting machine tools, over 200 forge and die presses, and many automatic and continuous-flow lines were put into

operation, but their productivity was, as a rule, rather low. By and large machine tools in the USSR are younger than in the USA in age É but older in design. As a result, the USSR is catching up with the USA more rapidly in volume of capital invested per worker than it is in actual productivity." In the realm of agriculture things were much worse: "Agricultural production depends considerably on technical equipment and labour productivity," stated Kudrov. "In this respect the Soviet Union is still considerably behind the United States. We have in the USSR 13.7 tractors per 1,000 hectares of cultivated land compared with 40.8 in the USA; for harvest combines the figures are 3.9 and

15.7 respectively."

The impasse of the bureaucracy was graphically revealed by the figures of economic growth of the Soviet Union. Before the war, under the first Five-Year Plans, Russia had an annual growth rate of a staggering 20 per cent. Even by the 1950s and early 1960s, the growth rate was still around 10-11 per cent. This figure was still vastly superior to that of the other main capitalist powers. While it is true that Japan, on occasions, reached figures as high as 13 per cent, this was exceptional. The Soviet Union's growth in the period under consideration was a consistent growth rate, every year, uninterrupted by recessions. The main

capitalist economies obtained at most 5-6 per cent (the rate of Britain, already in decline, was much lower), but not every year. Japan was able to achieve a higher rate largely because, under the American nuclear umbrella, it spent little on arms (1 per cent of its GNP), and was able to plough back most of its surplus in investment.

To all the other problems must be added the monstrous burden of arms expenditure. About 11-13 per cent of Soviet GDP went on arms, compared to about 8 per cent in the USA. Thus, a huge proportion of the wealth produced by the working class in both countries was wasted on what amounted to the

production of scrap metal. This was also determined by the fact that the USSR was unable to extricate itself from the rest of the world and constitute itself as a self-contained, self-sufficient entity. In these figures, the bankruptcy of socialism in a single country are cruelly revealed.

Technological advance

In the 1930s, when the economy was still quite primitive and the tasks related to the building up of heavy industry were relatively simple, the method of autocratic command from above could still get results, although at a terrible cost. Later, however, one million

different commodities were produced in the USSR, and with the sensitive interrelationships of a complex modern economy, the bludgeon of bureaucratic control, without the participation of the masses, led to absolute chaos.

The laws of motion of capitalism are fundamentally different to those of a nationalised planned economy. Under capitalism, at least in the past, the mechanism of the market served as a rough and ready check on inefficiency (although the big monopolies nowadays are able to manipulate the market, in their own interests, distorting the entire process). But in a society where the entire economy is in the hands of the

state, the automatic mechanism of the market no longer applies. The only check possible is the conscious checking and control of the masses at every phase of the drawing up and implementation of the plan.

Trotsky explained that a nationalised planned economy requires democracy as the human body requires oxygen. Without workers' control and management, without free trade unions and the right to discuss and criticise without fear, there had inevitably been rampant corruption, waste and nepotism. Theft and swindling flourished on an unimaginable scale. The Soviet Union was a subcontinent, with huge numbers of enterprises. Under

Stalin, all economic decisions, from the most important to the most insignificant, were taken by 15 ministries in Moscow. Even if these ministries were staffed by geniuses, all kinds of bungling and mismanagement would be inevitable, without the necessary check of workers' democracy. While the economy was more or less primitive, the overheads caused by the bureaucracy, while still staggeringly wasteful, could be tolerated because the economy was going forward at a very fast rate.

A modern, sophisticated economy, such as Russia had become by this time, is a delicate mechanism. The precise relations between heavy industry, light

industry, agriculture, science and technique, cannot be established by arbitrary administrative fiat. In the absence of competition, the only way to avoid colossal bungling and corruption is through the conscious control of society, by means of the democratic administration of the working class. The crisis in the USSR and Eastern Europe was not the same as the crisis of capitalism in the West, which is fundamentally a crisis of overproduction manifesting itself as a crisis of over capacity, inherent in the capitalist system of production. The crisis of Stalinism was a crisis of the bureaucratic system of control and planning which was undermining the advantages of the

planned economy. In the West, the productive forces have come up against the barrier of private ownership and the nation state, while in Russia and Eastern Europe, the productive forces were constricted by the strait-jacket of the nation state plus bureaucratic control. This was starkly revealed in the crucial field of technology. Thus, for socialism, democracy is not an optional "extra" but a fundamental precondition. The limits of bureaucratic planning had been reached. This fact manifested itself in a steady fall in the rate of growth, not only in the USSR but also in Eastern Europe:

Growth rates:

1950-55

1955-60

1960-65

1965-70

USSR

11.3%

9.2%

6.3%

4.0%

Czech

8.0%

7.1%

1.8%

3.4%

Poland

8.6%

6.6%

5.9%

6.7%

Bulgaria

12.2%

9.7%

6.5%

4.5%

In the 1970s growth fell further, and by

1979 the economy of the USSR only grew by a mere 3.6 per cent. This meant that the relatively progressive role played by the bureaucracy in building up the productive forces of the Soviet Union had been exhausted. It had become an absolute fetter on the further development of the economy. The annual average increase in labour productivity was still rising in the 1960s and early 1970s. But from 1975 to 1980, this slumped to 3.4 per cent and by 1982 it was 2.5 per cent per year. In 1979, the Gross National Product grew by a mere 0.9 per cent, and by 1980 by 1.5 per cent. The advances made on the basis of the nationalised economy and the plan were now being cancelled out by the

bureaucratic strangle-hold of Stalinism. The rate of growth--which was once the highest in the world--became hardly different to the sluggish growth rates of the capitalist West. The bureaucracy had now exhausted any progressive role it may have played in the past.

During the first Five-Year Plans, capitalism showed itself to be an absolute fetter on the productive forces, with mass unemployment and the great depression. The USSR was a beacon of hope for millions. Not only workers but the best of the intellectuals were attracted to the Soviet Union. By the 1970s this was no longer the case, at least as far as the advanced capitalist

countries were concerned. The bureaucratic totalitarian system with its sclerotic economy was not attractive to the masses in Western Europe, America and Japan. How could it be, when they were developing the productive forces at a lower rate than capitalism in boom periods like the 1980s?

Nowadays it has become fashionable to deny that the Soviet Union achieved anything worthwhile in the field of technology. That is a lie. The scientists and engineers produced by the Soviet Union were as good as anything in the West, if not better. This was demonstrated, not only in the space programme and armaments, but in

engineering, especially on difficult large-scale projects. The *Financial Times* (18/2/86) more than ten years ago wrote that "the development of Siberia's wasteland in an appalling climate over the past 15 years *is an engineering achievement which matches the construction of the Panama Canal in scale and difficulty*". (My emphasis.) There were many such projects. An amazing number of inventions and discoveries were made by Soviet scientists and technicians, a field in which *they had caught up with the USA, and actually outstripped Japan, Britain and France:*

"The Soviet Union and the US are neck

and neck in the patenting of inventions, each registering about 80,000 a year, a long way ahead of Japan's 50,000 registrations, and far ahead of the 10,000 of Britain and France. There are currently over 20,000 Soviet patents registered abroad, and the country earns about \$100 million a year from foreign license fees. That figure is going to rise sharply as the new generation of Soviet inventions becomes available. This month, they seem to have perfected their 1,500 kilowatt electricity transmission line, the world's most powerful." (*The Guardian*, 19/11/86.)

But the enormous promise of Soviet science and technology was never

allowed to materialise. Just as in agriculture, they could not get the same results as the West although investment was higher, so they could not make use of the inventions and technology at their disposal. The bureaucratic system acted as a gigantic brake at all levels. By the early 1980s, the Soviet economy was a highly complex organism, with 50,000 plants producing 20 million products. The old methods of bureaucratic control were now strangling production. In a 526-page study produced in 1982, prominent Soviet academics attempted to analyse the problems of the economy, based on case studies of eight Soviet industries, including chemicals, machine tools, industrial process control and

branches of the defence industry:

"They focus attention on over-rigid planning and management structures and procedures, and on problems caused by the separation of science from industry, its bureaucratisation and organisational fragmentation. *They speak of widespread conservatism and inertia which sees innovation as more trouble than it's worth, the absence of competitive elements, the existence of a 'seller's market' and the lack of long-term relationships between producers and customers.*" (*Morning Star*, 5/8/82, my emphasis.)

Writing in Pravda, the Academician

Vadim Trapeznikov, senior vice-chairman of the State Commission for Science and Technology, observed that:

"Soviet plants can often do better by going on turning out outdated products on outdated machines than by installing new machines and launching new products. Innovation--the speedy application on the shop floor of the latest research achievements--is today a key issue confronting Soviet planners and managers and is widely discussed in the Soviet press. The Soviet Union has more scientists and engineers than any other country in the world, and is in the forefront in many fields of theoretical research, with achievements with regard

to its practical application to its credit in a number of fields. But the general level of Soviet technology and the rate of absorption of new advances lags behind that of the most advanced capitalist countries, and most Soviet goods cannot yet compete in export markets with the best that capitalism can offer." (Quoted in the *Morning Star*, 5/8/82.)

The same was true of the other fields of advanced technology, such as industrial robots. In 1980, the Comecon was only operating 3.6 per cent of the world's stock of 14,000 industrial robots, compared to 9.3 per cent in West Germany and 43 per cent in Japan. However, Comecon then envisaged the

installation of no fewer than 200,000 industrial robots in the Five Year Period up to 1990, of which more than half were to be in the Soviet Union. Other plans were made to mass produce microprocessors, micro and macro computers as well as developing new fields of electronics, robotics, atomic power engineering and other areas of new technology.

There was no objective reason why these targets should not be met. But they were not. Despite the enormous number of scientists and technicians in Russia and Eastern Europe, they could not get the same results as in the West.

Throughout this entire period, in a whole

series of fields like computers, the gap between East and West continued to grow. This fact alone indicated that, whereas in the past it had played a relatively progressive role in developing the means of production, the bureaucracy had now become an absolute barrier.

To these thoughts, it is necessary to add one more. The movement in the direction of capitalism, far from aiding the development of science and technology in Russia has had the most ruinous effects. It suffices to give just one example from the jewel in the crown of Soviet technological achievement--the space programme. Here the superiority

of the USSR was not in doubt. It led the world. But not any more. Although the remarkable Mir programme with its space stations still bears eloquent testimony to the achievements of the past, the movement towards capitalism has meant deep cuts which has shamefully undermined a great Soviet success story. For lack of funds, in 1996 out of 27 planned space launches, only 11 got off the ground. In the world ranking of expenditure on space programmes, Russia is now 19th.

Lenin explained many times that the future of the Soviet Union could not be separated from the position of world capitalism, and particularly its most

advanced countries, beginning with the USA. Despite the extraordinary advances, the USSR remained relatively backward in comparison with the US economy in a whole series of areas. For instance, the US railway network, despite a much smaller area, was two and a half times as great as in Russia. The USSR lagged further behind in relation to computers and automated equipment. A book published by Medvedev in 1972 pointed out that: "Electric power and production of electricity in the USA is still more than twice that of the USSR. The United States produces within its own borders almost one and a half times as much oil and three times as much natural gas as

the Soviet Union. At the end of the 1960s, the Soviet Union manufactured a quarter of the number of trucks produced in the United States and Japan. We produce far fewer passenger cars than countries like Italy, France, Japan and West Germany. The United States manufactures almost 20 times as many as we.

"We make half as many radios as the United States and one quarter as many as Japan. As to refrigerators we are about on the level of the US in 1950. In the production of synthetic resins and plastics we remain behind almost all the European countries including Italy; the US produces six times as much as we

do. In 1970 Japan manufactured five times and the US ten times as much synthetic fibre as we did." (R. Medvedev, *On Socialist Democracy*, pp. 5-6.)

The main weakness was the inability to raise the productivity of labour sufficiently. Marx pointed out that in the last analysis the success of a given economic system can be reduced to the productivity of labour, or economy of labour time. Productivity did increase, but the gap with the most advanced capitalist economy--the USA--remained very great. The difference was narrowed considerably between the two countries as a result of the successes of the Five-

Year Plans. It must be remembered that before the Revolution, Tsarist Russia was at the level of a third world economy today, and not one of the more developed ones. In 1913, the productivity of Russian industry was estimated at 25 per cent of the Americans. In 1937-39, it had closed to 40 per cent of the United States.

Although labour productivity increased in the postwar period its rate of increase slowed down: between 1956 and 1960, the average annual rate of growth of industrial productivity was 6.5 per cent; between 1961 and 1965 it had slowed to 4.6 per cent. In 1980, one American worker in industry produced as much as

2.8 Soviet workers, that is to say, the overall productivity of labour in the USSR was about one-third of the level in the USA. Far more than the volume of production, these figures show the actual difference between the level of economic development attained, and are therefore of crucial significance. For the bureaucracy, this lagging behind the West, especially in the vital field of the productivity of labour, remained the key question. With a larger working class, and over twice the number of technicians and engineers, the USSR produced only 65 per cent of American output in the mid-1960s. Two thirds of workers were not able to work efficiently, and one-third at least of production was wasted

through mismanagement, swindling, sabotage and theft.

Agriculture--the Achilles' heel

The situation in agriculture was far worse. Under Brezhnev, it took four Soviet agricultural workers to get the same results as one American farmer. Soviet agriculture had still not yet recovered from the forced collectivisation of the early 1930s, when peasants destroyed crops and slaughtered livestock. The number of horses and pigs fell by 55 per cent, sheep by 66 per cent and so on. Between 1930 and 1955, per head of population, agricultural production (excluding

technical crops) and the number of farm animals (for pigs this applies only to 1953) were lower than in 1916, and for horned cattle and cows the figure had not reached the level of 1913 nor that of 1928. The productivity on the land remained very low. In 1982 it was reported that one agricultural worker fed six people in the USSR compared to 40 in the USA. Despite all the investment and resources, the Soviet economy was unable to take advantage of these factors. Nor was Brezhnev able to solve the problems of Soviet agriculture. On the contrary, they got steadily worse. Agriculture remained the Achilles' heel.

This had a direct bearing on living

standards. The following figures for diet illustrate the difference in living standards between USA and the Soviet Union. In the USSR 48 per cent of calories were derived from grain (mainly bread), as opposed to 22 per cent in USA. On the other hand, only 8 per cent were derived from meat and fish, against 20 per cent in the USA. Soviet citizens consumed one half the meat eaten in the United States, and less than in Poland. Even on this elementary plane, Russia lagged behind. The USSR had to import grain. This cost \$6.5 billion in 1984 alone. Yet potentially Russian agriculture could feed the world. Why?

Agriculture is a more complicated question than industry because here one is dealing with the elements--both natural and human. There are only two ways of securing a lasting improvement in productivity in agriculture--either by the general application of better techniques and machinery, or by securing a greater motivation of the workforce. In fact, the two things go together. Even if modern machinery is made available, unless the rural workers are motivated to work properly and get the best out of the instruments in their hands, it will not be possible to get the desired results. Such human motivation can only be secured in one of two ways--either if the peasant or rural proletarian is morally inspired and

convinced of the need for socialism, or else by material incentives. The Russian bureaucracy was unable to do either. On a socialist basis, the problem could easily be solved. But the task of introducing a different consciousness into the peasant means changing his relation to society, contact with other producers, participation in the life of society, democratic decision-making, co-operatives and so on. This is impossible on basis of a bureaucratic system.

In the extreme conditions of War Communism, the Bolsheviks were compelled to resort to the forced delivery of grain in order to feed the

starving workers in the cities, at a time when the collapse of industry meant that it was impossible to provide the peasants with goods in exchange for their products. But this was never seen as anything but a temporary measure forced upon the workers' state in an exceptional situation when the existence of the revolution was in danger. The policy was soon abandoned in favour of a free market in grain and the New Economic Policy. Lenin and Trotsky were in favour of gradual collectivisation by example, and, in the meantime, encouraged co-operatives. But they never considered the possibility of forcing the peasants into collectives at gun-point, as Stalin did in the 1930s.

This monstrous policy led to the collapse of Soviet agriculture, a terrible famine and the deaths of millions of people. Soviet agriculture never recovered from this insane and criminal policy of Stalin.

No-where was the dead-hand of bureaucracy clearer than here. They tried to blame the weather. True, the Russian winter poses problems unknown in more benign climes, but with modern technology it would have been possible to overcome this to a large extent. The problem was not the weather but the disaffected attitude of the rural population. Even where silos were built, the harvested grain was often left out in

the rain to rot on the ground. A tractor driver was paid in terms of the area that was ploughed, so more would be gained the greater the shallow ploughing. All the evils of a bureaucratic system were here multiplied a hundred fold--mismanagement, swindling, chaotic conditions of transport--combined with the still backward conditions of the Russian countryside--all combined to produce sabotage on a vast scale.

In the past agriculture had been neglected, but this was no longer true. The problem was not now lack of investment. The bureaucracy was investing vast sums in agriculture, which now amounted to one-third of the total

civilian investment. Yet they could not get the desired results. The USA, for example, spent only 5 per cent of Gross National Income on agriculture but obtained much better results. Despite large-scale investment and tractor production on the collective farms, agricultural productivity of labour was officially about a quarter--actually it was much less--than the USA. With almost one-third of the population (27 million) still working on the land--six times the American figure--the Soviet Union had 20 times as many agricultural workers per tractor as the US. The average income of a Russian collective farmer was half of an industrial worker. Youth were leaving the villages at the

rate of two million a year. There was a huge subsidy to agriculture, which received 27 per cent of total investment.

The USSR was the biggest producer of tractors in the world. Its harvested area was two thirds bigger than that of the USA. However, owing to poor quality and inefficient repairs, the average life of a Soviet tractor was only five or six years. This meant that about 300,000 tractors had to be replaced every year. Despite the increased number of tractors, the annual yield per tractor on collective farms in the 1960s, far from rising, actually went down--in the period 1960-67, by 17 per cent. The Soviet Union was a vast subcontinent. Yet only

a third as many trucks were used in agriculture as in the United States.

"At the present time," wrote Medvedev in 1972, "an agricultural worker in the United States is in effect as well equipped with the means of production as an industrial worker and in some respects is even ahead of him. In 1960, each American agricultural worker had 39 horsepower at his disposal, compared with a mere 5.4 for his Soviet opposite number. By 1967 the supply of power to an agricultural worker in the United States had increased to 78 hp--it had exactly doubled. The equivalent figure in the USSR for the same period was only 8.8 hp, an increase of about 65

per cent." (Roy Medvedev, *On Socialist Democracy*, p. 12.)

Between 1966 and 1970, 1.5 million tractors were delivered to the collective farms, but 1,150,000 were written off from existing stock. Half a million combine harvesters were also delivered, but more than 350,000 were written off. This explains the worried tone of Brezhnev's speech at the 23rd Party Congress in 1966:

"The Central Committee considers it necessary to draw attention to yet another problem, that of utilising machinery at collective and state farms, The countryside is steadily receiving

and increasing the number of tractors, lorries, harvester-combines and other machines. Labour there is acquiring the features of industrial work. Yet, in recent years, there has been a drop in many key indicators of the utilisation of the fleet of machines and tractors. Machine operators tend to leave their jobs, causing fluidity in the labour force. all this creates difficulties. Facilities for repairing farm machinery must be enlarged to the utmost, the Selkhoztehnika enterprises and the collective and state farms supplied with modern equipment, and machine operators given better training and bigger material incentives," and so on. (*Report of the 23rd Congress CPSU,*

pp. 89-90.)

Reading between the lines of this report, we get a picture of collective farms equipped with old, out of date machinery, or machines of poor quality which continually break down, and an ill-prepared workforce with no motivation, which does not look after or repair this machinery, and which has to be bribed with more material incentives in order to perform the most basic tasks. The picture had changed little since Trotsky wrote: "The tractor is the pride of Soviet industry. But the coefficient of effective use of the tractors is very low. During the last industrial year it was necessary to subject 81 per cent of the

tractors to capital repairs. A considerable number of them, moreover, got out of order again at the very height of the tilling season." (Trotsky, *The Revolution Betrayed*, p. 12.)

In the 1950s, as a result of Khrushchev's reforms, agricultural output improved. But under Brezhnev, the position worsened again. In the 1950s, the annual growth rate of agricultural production was 4.9 per cent. In the 1960s, it fell back to 3 per cent, and later to a miserable 2 per cent. And in the 1970s there was actually a decline in agricultural productivity. Yet investment in agriculture had enormously expanded. Agriculture absorbed 20 per cent of total

national investment--twice the prewar level. The production of fertiliser increased greatly. Yet the value of net farm output was four fifths less than that of the USA. Productivity of labour in agriculture remained stubbornly low. This was partly connected to the outflow of youth from the villages, and the resulting manpower shortage. By 1980 only 20 per cent worked on the land, and they were mainly old people. But this cannot explain everything. In Western Europe there was an even bigger shift from country to town, yet the productivity of labour in agriculture enormously increased.

The real root cause was the passive

resistance and sabotage of an alienated agricultural workforce, plus the colossal waste, mismanagement, inefficiency and corruption of the bureaucratic system.

Brezhnev attempted to increase the motivation of the rural workforce by allowing small private plots in the kolkhozy. He actually included this in article 13 of the new constitution. Such a measure was not incorrect, given the situation. Until such time as the development of the means of production is sufficient to guarantee the rural population a decent standard of life, until the collective farms, properly equipped with modern machinery, have demonstrated in practice their superiority over small-scale individual

production, it is necessary to make concessions to small businesses in both the town and, especially, in the countryside. Under Brezhnev, small private plots accounted for only 3 per cent of the total, but produced one-third of meat, milk and vegetables, more than one-third of eggs, and, surprisingly, almost one-fifth of the wool.

The authorities were concerned at the serious problems in the countryside because there is a direct link between agriculture and the production of consumer goods, and therefore the standard of living. In his economic report to the 1966 Party Congress, Alexei Kosygin pointed to the slowdown

in the growth rate of real incomes, which he linked, in part, to the low productivity of labour, but also to agriculture:

"As a result of the lag in agriculture, the food and light industries fell short of their targets and this could not help but slow down the growth of the national income and of the nation's prosperity." (*Report of the 23rd Congress CPSU*, p. 175.)

A series of bad harvests culminated in the disaster of 1972. In March 1974 the regime then hailed a big turnaround when 225 million tons had been produced. However, there was a shortage of storage facilities and only

180 million tons were saved. This catastrophe was directly linked to bureaucratic mismanagement, the scourge of Soviet agriculture. Grain was left to rot on the ground for lack of silos, transport dislocation or simple bungling. Later Soviet leaders attempted to overcome the problems of agriculture, but to no avail. The problem was inherent in the bureaucratic regime itself.

Living standards in the 1970s

Before the war, when Stalin announced the dawn of "a happy life", Trotsky pointed out that in the Soviet Union there was only half a pair of shoes for every worker. Under Brezhnev this was no

longer the case. In 1979, the USSR was producing more shoes than any other country and there were five pairs of shoes per person. For a period of 30 years after the death of Stalin the rate of consumption grew by an average 3.6 per cent per annum. Living standards more than doubled. True, living standards in the USSR at the end of the 1970s still lagged far behind the West.

Nevertheless, consumption continued to rise under Brezhnev, as the following table shows:

Soviet Living Standards 1965-78:

1965

1978

Monthly wage

96.5 roubles

159.9 roubles

Number of doctors

554,000

929,000

Families with TV sets

24 per cent

82 per cent

Families with refrigerators

11 per cent

78 per cent

Living space per person (urban areas)

10 sq. metres

12.7 sq. metres

Consumption of meat/meat products per person

41 kilograms

57 kilograms

Consumption of vegetables per person

72 kilograms

90 kilograms

Consumption of potatoes per person

142 kilograms

120 kilograms

Consumption of bread/grain per person

156 kilograms

140 kilograms

(Source: *The Guardian*, 17/8/81.
Quoted in F. Halliday, *The Making of
the Second Cold War*, p.139.)

However, the growth in living standards gradually slowed down in the 1970s, as the following figures show:

Increase in consumption 1966-78:

1966-70

5 per cent

1971-75

2.9 per cent

1976-78

2.1 per cent

Food consumption in the same period increased in the following proportion:

1966-70

4.2 per cent

1971-75

1.7 per cent

1976-78

0.6 per cent

Marx assumed that the starting point of a

movement in the direction of socialism would be a high level of living standards. Only by completely satisfying all the material aspirations of men and women will it be possible to arrive at a level where such aspirations cease to dominate people's lives and thoughts, preparing the way for a qualitatively superior level of human civilisation. So long as scarcity exists, and with it the humiliating struggle for material things, class barbarism, and all its attendant evils, will never be overcome. The vision of a classless society will remain a tantalising phantom, like a horizon which recedes further into the distance as you approach it. This explained the growing mood of scepticism and even

cynicism among layers of Soviet society in relation to the hypocritical speeches of the bureaucrats who lived in luxury while the ordinary Soviet citizen had to stand in endless queues to obtain scarce goods.

Nevertheless, there is no doubt that the living standards of the Soviet population did experience a dramatic improvement in comparison to the past. According to a report in *The Guardian* in the mid-1980s:

"Almost every home now has a TV set and a refrigerator. Seventy per cent of households have a washing machine, and 40 per cent have a vacuum cleaner and

about 15 per cent have a car. Nearly half have a motorbike or a moped." (*The Guardian*, 7/2/86.)

Moreover, these figures do not tell the whole story. The growth in living standards was achieved with virtually no inflation. Above all, the prices of basic necessities were kept low. Bread was so cheap that the peasants would feed it to their livestock instead of grain. A particularly important gain was low rents. Whereas a worker in the West spends anything between a third and a half of his wage on rent, the situation in the USSR was totally different. Out of a 200 rouble monthly wage, only 10 roubles a month went on rent, and this

included hot water, central heating, and, at least in Moscow, free local phone calls. There was a completely free education and health service, no unemployment and a month's free holiday at resorts run by the trade unions. The Soviet Union probably had the best public transport system in the world, with extremely low fares--five kopecks for any distance in Moscow, for example.

However, despite these improvements, living standards still lagged behind those of at least the most advanced capitalist countries. The housing shortage remained serious. Living conditions for the great majority were still very

cramped, and in many cases intolerably bad. One quarter of families shared a bathroom and/or kitchen. The workers no longer suffered from the privations of the earlier period. There was no real shortage, at least of the basic commodities. There were queues, of course, but eventually people got what they were waiting for. But the quality of the goods produced under the bureaucratic system was another matter. Trotsky already pointed out before the war that quality escaped the bureaucracy like an elusive phantom. The nearer the product stood to the consumer, as a rule, the poorer the quality. The lack of democratic control revealed itself most glaringly in the field of consumer goods.

Above all in a society which claimed to have built "socialism", the material well-being of the population cannot be measured purely in terms of how much bread and potatoes are consumed, or, for that matter, how much meat and butter.

There is an intimate connection between economic growth and living standards. Above all, the correct balance between heavy and light industry, and between industry and agriculture, is a fundamental question. In 1971, the Ministry of Light Industry received complaints about 7.6 million pairs of shoes, 1.5 million pairs of hosiery, 1.7 million items of knit wear, and 175,000 suits. In the first half of 1971, the retail

network in Moscow alone rejected 33 million roubles' worth of industrial goods. In the same year total losses from rejected industrial output were estimated at over Rbs600 million, but the journal Finansy USSR commented that "such losses were actually much larger". In 1970 and 1971, 50 per cent of the goods checked by the Inspectorate of the Trade Ministry of the Russian Soviet Republic did not meet official minimum standards. This resulted in the stockpiles of unsold goods in the warehouses increasing yearly. From 1968 to 1971, the unsold surplus came to 32-52 per cent of sales. By early 1972, the surplus totalled Rbs3,400 million.

Here we see the fundamental defect of bureaucratic planning. Without the democratic control and participation of the working class, it inevitably leads to an uncontrolled flourishing of waste, corruption and mismanagement. This was always true--even in the best period in the USSR--but under the conditions of a sophisticated modern economy, producing a million different commodities each year, it became a nightmare. The Soviet press in the period under examination was full of the most appalling examples of bureaucratic bungling. The following is a typical example:

"The more expensive the material is, the

fewer clothes required to fulfil the plan!
É The cheaper the model, the more cars needed to be manufactured in order to fulfil the plan, and that would require additional capacity and manpowerÉ A power engineer once praised me for leaving the electric light on: 'Good for you! The more energy you consume, the bigger our bonus!' The director of the Riga Electro-Mechanical Plant commented: 'Any quantitative index used as the basis for planning and evaluation will inevitably be one sided and ultimately damaging. If the ton is the measure, output will get heavier. If the rouble is the measure, it will get costlier. If consumer satisfaction were used as the base, then production volume

would certainly never be the measure'." (Managers quoted in *Literaturnaya Gazeta*, November 1976.)

The purely quantitative approach to planning inevitably produced the most grotesque distortions in the absence of the democratic control and participation of the working class:

"If the director can get away with producing only a few styles of shoes, he will have long production runs and be able to cut costs. If he can bias his production toward small-size shoes and away from large ones, he can save on leather inputs. Finally, although the state sets the prices for his shoes, different

styles will yield him different profit markups. The director can try to specialise in those styles which offer the highest profit.

"How far the director can go in all this depends on his bargaining position. In the past, this position has been good, indeed. Always less has been produced than the customers would buy. Thus, wholesalers have been fairly easy to deal with; since they could sell anything, why antagonise the producer in a sellers' market? Only the final customer complained bitterly about the results of this system." (David Granick, *The Red Executive*, p. 34.)

Trotsky pointed out that to portray economic growth purely in terms of volume is like attempting to demonstrate the strength of a man on the basis of chest measurement alone. The purely quantitative approach to targets led to the production of the most heavy and cumbersome vehicles, so that a given number of tonnes would meet the target; or so many thousands of shoes would be produced, but all left-footed. Of course, such "mistakes" would be noticed by the workers, but, in the absence of free speech and independent trade unions, there was no way of denouncing them. Too outspoken criticism would only lead to problems, dismissal, imprisonment, confining in a mental home. It was better

to keep your head down and your mouth shut, get your pay packet at the end of the month, and hope that things would get better, which in many ways seemed to be happening.

In a speech at the Party Congress in 1986, Gorbachov described the position in Soviet light industry:

"Last year millions of metres of fabrics and millions of pairs of leather footwear and many other consumer goods were returned to the factories or marked down as inferior grade goods. The losses are significant: wasted raw materials and the wasted labour of hundreds of thousands of workers." And he added:

"Bureaucracy is today a serious obstacleÉ Bureaucratic distortions manifest themselves all the stronger where people are held less accountable for what they do." (*The Times*, 27/2/86.)

Freed from all popular controls, the bureaucracy behaved in an absolutely irresponsible manner. They showed the same short-sightedness, the same criminal disregard for the broader interests of society as the big monopolies. In general, they were just as bad as the bourgeois in relation to the environment. This was shown by the nuclear disaster at Chernobyl, by the destruction of the Aral Sea, the poisoning of the Caspian sea and lake

Baikal and the sinking of nuclear vessels in the Arctic Ocean.

The absolute mess and chaos was indicated by the crazy proliferation of ministries of all kinds. In the machine-tool sector alone there were no fewer than 11 separate ministries--the Ministry of General Machine Building, the Ministry of Heavy Machine Building, etc. In transport there were five ministries, and so on. There were many examples of the problems caused by this situation. For example, natural gas was discovered in Central Asia. But in order to commence exploitation, they had to obtain the signatures of 27 different ministries and departments. This took

seven years, after which the gas had been lost.

The problem of quality

The quality of Soviet consumer goods was not as bad as the pro-bourgeois press now likes to make out. At any rate, there was no reason in principle why the quality of these goods should be any worse than those produced in the West. In those sectors where quality received due attention, very good products were made. This was the case in the defence industry, where the generals insisted on high quality, and got it. The same was true of the space programme. But not only that. An article that appeared in The

Guardian in 1986 revealed surprising data about the success of certain Soviet exports to the West:

"When we think of Soviet excellence in technology, we are accustomed to their achievements in space, and to the high quality of many of their military products. The titanium armour in the Hind combat helicopter, or the titanium hull of their new submarines, for example, are said to be significantly ahead of Western metallurgical skills.

"But somehow space and military hardware can be tuned out of our appreciation of Soviet technological capacity. We can file it all under the

general heading of military superpower, and continue with our cosy and complacent belief in a general Western superiority in the things that really matter, like computers and cars and consumer goods.

"Maybe we should think again. In the first six months of last year, Britain imported 30,000 Snowcap refrigerators and 32,000 TV picture tubes from the Soviet Union. Belgium bought TV sets and electric razors, and France bought coffee grinders, electric irons and air conditioners. The Dutch bought 60,000 cameras and electric hair clippers, and even the Japanese bought Soviet TV sets. In the third world, the Chaika

sewing machines and Orbita electric fans are steadily creeping into traditional Western and Japanese markets."

In fact, the picture was contradictory. For example, the actual recorded sound of Soviet LP records was very good--as good as anything in the West, if not better--but was let down by poor pressing. In an article in *Pravda* (28/11/95), one Russian commentator pointed to the greater durability of certain Soviet products when compared to Western equivalents. The author correctly ascribes the difference to the contrast between a planned economy, essentially based on production for

need, and a market economy, based on profit, which includes such phenomena as "conspicuous consumption", advertising, and all kinds of waste:

"What our economy produced as a final product suited precisely the Soviet society and was absolutely unsuitable in principle for the Western market, for the 'consumer society.' For instance, efforts were directed into achieving product durability rather than design. The market, on the contrary, aims at shortening product life, thus forcing people to 'consume' both goods and services." And he continues:

"Look at the difference between two

cars of the same class--one produced for a thrift economy, the other for a chrematistic one. In a Zhiguli, all the main engine components where problems usually arise are positioned in such a way that they are accessible without the aid of an auto shop. One can use the car for a decade without turning to a mechanic--you fix the problems yourself. In a Citroen--a car of the same class--the same components are completely inaccessible. You have to pay for a service for every little thing. If you need to replace the breaker contacts--it costs \$80; if a generator brush is worn out--you pay \$300 for a new generator; if you need to replace a pump belt--you have to take out the engine.

"As is known, exactly half of the effort and cost in the production of consumer goods in the West goes into packaging (also a part of design). What does it mean to create in Russia industries capable of competing on the 'market'? It means creating production oriented to the criteria of strangers, people of a different lifestyle, which in itself is absurd (or means consciously turning Russia into a colony). Without a doubt, 90 per cent of the Russian population would prefer to bring their own bags to buy sugar and their own bottles to buy unbottled oil rather than buying a 'competitive' product at twice the price because of the packaging."

However, undoubtedly, the general level of quality lagged far behind Western standards. Colour television sets had to be taken back for repairs on average twice in their first year of use. They also had a tendency to explode. Shoes were, for some reason, of a particularly poor quality, and so on. For the privileged officials, who had access to special shops, this was not a problem. The quality of goods destined for the consumption of ordinary working people was a matter of indifference to them, while the factory managers were interested only in meeting the targets of the plan in terms of volume. If that meant cutting corners on quality, so what?

In other respects also the conditions of life left a lot to be desired. Even in Moscow there was a shortage of places of recreation such as decent bars, cafes and restaurants. There were queues for all these, and this actually made the problem of drunkenness worse. It was common to see men drinking in the street. The situation in the provinces was worse still. Nizhnevartovsk in Siberia, a town of 200,000 inhabitants, in the early 1980s still did not have a single cinema. Town planners did not pay much attention to the recreational needs of ordinary people. Needless to say, the officials had no such problem.

The situation in the USSR could not be

separated from that existing on a world scale. The reactionary notion of socialism in one country was bound to fail. Despite all the efforts to shut the Soviet people off from the rest of the world, they would inevitably find out about the level of life in the West, and compare their own position to it. This was what Lenin warned of when he said that the future of the USSR would ultimately be determined on a world scale ("Who shall prevail?"). To the degree that people became aware that Western consumers had access to better quality goods at cheaper prices, discontent would inevitably grow. The difference was underlined by the fact that people with access to Western

currency could, without standing in queues, obtain superior Western goods in the so-called diplomatic shops (*diplomateskyye magaziny*).

The official figures on living standards, in fact, conceal almost as much as they reveal. They tell us nothing about the different levels of wages enjoyed by different layers of the population. In general, Soviet statistics were always very coy about this question. Averages in general can be very misleading. They remind us of the story of the two peasants, one with nine cows, the other with one. "On average" they had five cows each! In practice, the growth of the Soviet economy, which, in a healthy

workers' state should have meant a steady reduction in wage differentials and privileges, here signified the opposite.

Rather than narrowing under Khrushchev and Brezhnev, the gap continued to widen. While the living standards of the masses undoubtedly rose, the income and perks of the bureaucracy (both legal and illegal) increased still faster. This was above all true of the top elite. Brezhnev was well known for his luxurious life-style and fondness for expensive cars. When Nixon, who one assumes to have enjoyed a reasonably prosperous existence, went to visit Moscow, he professed to be astonished

at the ostentatious luxury of Brezhnev's life-style, with a swimming pool in the basement of his house, and so on.

In a study of Nixon's fall from power, *The Final Days* by Woodward and Bernstein, a small glimpse is given of the life-style of Brezhnev and the top bureaucrats. "The President [Nixon] had his usual present for Brezhnev--an American automobile for the Secretary's extensive collection. Their first two summits, in 1972 and 1973, had yielded two \$10,000 models, a Cadillac limousine and a Lincoln Continental. This time it was a \$5,578 Chevrolet Monte Carlo, not very impressive in a garage that already housed a Citroen-

Maserati speedster, Rolls Royce and Mercedes sedans, and Brezhnev's favourite, a new Mercedes 300SL roadster. But Brezhnev had learned that the Monte Carlo was named 'Car of the Year' by Motor Trend magazine, and he had let it be known that he would like one."

According to Jan Sejna, a top Czech bureaucrat, who defected to the West and published his memoirs *We Will Bury You*: "Brezhnev is very fond of vodka, and pilsner beer, which we used to send to him direct to Moscow. He also loves Western clothes. Whenever he came to Prague, the Director of our Politburo shop--where the elite could buy luxuries

unavailable to lesser men--would have to fly to Italy and West Germany before his arrival, to lay in a special stock for him." The same was true of the bureaucratic rulers of Eastern Europe. Writing about his own predecessor, Alexei Cepicka, Sejna explains: "He had a huge personal fortune, worth millions of dollars, for which he never accounted, and which he spent on magnificent luxuries--villas, cars, jewellery--for himself and his friends. His wife, for example, owned 17 mink coats."

The Soviet press was full of examples of corruption and economic crime. But it was only the tip of the iceberg. Apart

from grossly inflated salaries, Party and state functionaries at all levels were engaged in plundering public resources. In 1974, Mrs Furtseva, the minister of culture, was sacked for misappropriation of state funds. In July 1976, according to Finansy USSR, investigations were made into 300 state enterprises. This revealed that in Belan, "a group of thieves ensconced in the city department store, led by former managers" had pinched Rbs116,500. In Tomsk, Rbs463,000 had been embezzled. In Georgia "thieves in leadership positions" were exposed. When the police raided the flat of one official "Éthey found his property included 12 cars, 47 tape recorders and

colour televisions and 3,000 bottles of cognac and wine. He had three Volga cars, 23 dinner services with 380 settings, 74 suits and 149 pairs of shoes. 'He had hidden some things away for emergencies,' reported Moscow Radio, 'including Rbs735,000 (£668,000) in cash. Rbs18,300 worth of 3 per cent loan bonds, 450 gold coins and 39 gold wrist watches".

Again: "The deputy minister of fisheries was executed in 1982 because of his involvement in a swindle whereby caviar was exported from the Soviet Union in tins labelled as containing salted herringÉHe had dealt with over 30 cases involving the theft of 3m

roubles-worth of goods by some 100 management personnel from the capital's best-known shops. He said officials received 1m roubles in bribes 'and paid three-quarters of this sum in bribes themselves' É They found that in 156 of 193 purchases they were cheated. The profits were then systematically passed up in line." (*Financial Times*, 2/7/86.)

The same life-style was common to Brezhnev's children, and to the ruling elite in general. In 1980, after the arrest of 300 officials in the "Sochi caviar" scandal, Brezhnev's family was investigated for involvement in corruption. A vast amount of the wealth created by the Soviet workers was being

used up in this way. One textile bureaucrat had actually accumulated the astonishing amount of seven million pounds--although this sum now pales in insignificance beside the billions looted from the state by the nascent bourgeoisie. The parasitism of the bureaucracy was undermining the very foundations of the planned economy. Simultaneously, the gulf between the bureaucracy and the masses was getting ever wider. The whole psychology of the ruling caste was becoming transformed. The consequences of this were to be seen in the next phase.

The state under Brezhnev

When Brezhnev introduced the new 1978 constitution of the USSR, he dismissed suggestions (as Stalin had done) that the Soviet state showed no signs of withering away. On the contrary, he insisted that "our statehood is gradually being transformed into communist self-government. This is, of course, a long process, but it is proceeding steadily. We are convinced that the new Soviet constitution will contribute effectively to the attainment of this important goal of Communist construction". But behind all this rhetoric stood, not a state in transition to communism, but a vast bureaucratic apparatus that dominated all aspects of life. Far from "withering away" it was

getting more powerful and grotesque--
*not the "dictatorship of the
proletariat", but the dictatorship over
the proletariat of a vast and repressive
bureaucratic apparatus.*

Lenin envisaged that, as the productive capacity of society increased, and with it the standard of living and cultural level of the population, the functions of running the state and society would gradually be performed by the working class on a rotating basis. Thus, the state itself would become more and more absorbed into society. Instead, the totalitarian monstrosity that was the state under Brezhnev became ever more oppressive, corrupt and divorced from

the mass of the population.

This fact cannot be explained by "imperialist encirclement" or by the existence of the "remnants of the old regime" (the usual excuses employed by the apologists of Stalinism). The weak and embattled workers' state under Lenin and Trotsky, invaded by 21 armies of intervention, maintained a scrupulously democratic regime which protected all the rights of the working people. By the late 1960s, the USSR was the second most powerful country on earth, with a modern economy and a mighty army. Yet the regime could not permit even the slightest concession to democratic rights. This was not because of the

external threat, but because the bureaucracy was at war with its own people.

As for the other excuse, what "remnants" are we talking about here? Half a century after the October Revolution, to talk about a threat from "capitalist remnants" was plain nonsense. These had long since disappeared--mainly absorbed into the bureaucratic machine itself. The heirs of the old Tsarist state were effectively in control of Russia! Subsequent experience has shown that the real danger to the conquests of October did not come from this quarter, but precisely from that voracious caste which had undermined the planned

economy through its bungling, swindles and theft, and a section of which is striving to convert itself into a new class of Mafia capitalist oppressors.

Under Lenin and Trotsky, a certain amount of repression against class enemies was made necessary by the extreme backwardness and primitiveness of the state and economy, imperialist intervention and the threat of capitalist counter-revolution. The very weakness of the workers' state meant that at times the struggle assumed very harsh forms. Today, as part of the campaign to discredit Bolshevism, unscrupulous writers exaggerate this repression and try to link it to the

horrors of Stalin's Purges. But even under these conditions, there was an unparalleled flowering of workers' democracy, which was only destroyed during Stalin's fight against the Left Opposition, which stood for the defence of Lenin's ideas of democracy and internationalism.

In place of the democracy and freedom which the working class enjoyed in the period immediately after the October Revolution, there was a system of rigged elections, where everything was decided in advance from the top, i.e. from the privileged ruling elite. Lenin envisaged the gradual withering away of the state from the very beginnings of workers'

power. Instead, we had an enormous growth of the state machine. This had a material basis. The new Tsars jealously protected their swollen privileges and loot. At the same time as they talked about "building communism" and the "new Soviet Man", they clamped down on all forms of dissent and free speech.

State repression assumed new and more refined (though not less cruel) forms. Under Brezhnev the criminal code, already sufficiently draconian, was further tightened up to combat dissidence. The addition of sections 193-1 and 193-3 multiplied the possibilities of repression. Arrest no longer had to be tied to an intent to

subvert the Soviet government.

Demonstrations (though the articles did not use that word) and the dissemination of any form of material aimed at disrupting the state were punishable, respectively, by three years' imprisonment and three years' labour camp.

This measure met with the protests of, among others, the celebrated Soviet composer Dimitri Shostakovich, and a group of Old Bolsheviks. All to no avail. The protests went unanswered, and the decree was confirmed by the Supreme Soviet in December 1966. By January 1967, a wave of arrests were carried out against dissident writers who

were tried in kangaroo courts and sent to labour camps. Those who protested about such trials were sacked from their jobs and persecuted. Academics were deprived of their degrees and titles.

Every manifestation of free and independent thought was looked upon as suspicious. Authors were not allowed to publish anything without the authorities' permission. Any attempt to do so was punishable by long terms of imprisonment with hard labour (seven and five years in a severe regime camp). The horrific picture of these camps in Anatoly Marchenko's Testimony shows that, while in some ways the conditions in the camps were better than in Stalin's

day, in some respects they were even worse. Moreover, upon arrival in camp, the prisoners often found that their sentences had been increased by a few more years, and at the end of the period, they would be informed that a new case had been prepared and that if they refused to confess they would get another seven or ten years. In this way, the prisoners could be, in effect, buried alive in the camps, with no prospect of ever getting out alive.

Far worse than this, however, was the ghoulish practice of incarcerating political prisoners in mental hospitals. In an attempt to avoid criticism in the West, they began to send dissidents to

mental hospitals. Among other advantages, this meant that the accused did not have to be placed on trial. Perfectly sane people were locked up in this way, simply on the basis of two doctors' signatures. Of course, anyone who complained about the "socialist paradise" had to be insane! Among others, the former General Petro Grigorenko and Zhores Medvedev were subjected to this inhuman treatment which blackened the name of socialism throughout the world. This phenomenon had already existed under Stalin, but it was developed and perfected in the Brezhnev period, when it became widespread. Grigorenko, who spent years in these awful places, recalls that:

"A special psychiatric hospital was opened in Sychyovka in Smolensk province. Then another in Chernyakhovsk. Things moved swiftly. In the late sixties and seventies the special psychiatric hospitals sprouted like mushrooms after a rain. I know about more than ten: Kazan, Leningrad, Sychyovka, Chernyakhovsk, Dnepropetrovsk, Oryol, Sverdlovsk, Blagoveshchensk, Alma-Ata, and a 'special psychiatric sanatorium' in the Poltava-Kiev area. In addition, departments for forced treatment were set up in all of the provincial psychiatric hospitals. Thus were created wide scale opportunities to scatter mentally stable political prisoners among a mass of

seriously ill patients." (Grigorenko, op. cit., pp. 408-9.)

And he gives a nightmarish glimpse into the conditions in these hell-holes:

"This is the horror of our inhuman system of forced treatment. A healthy person confined among the insane knows that in time he may become one of those he sees suffering around him. This is particularly frightening for people with sensitive psyches who suffer from insomnia, who are incapable of isolating themselves from a hospital's sounds.

"The Special Psychiatric Hospital is located in the building of a former women's prison, alongside the notorious

'Kresty'--Leningrad's principal prison for political prisoners. Here, as in regular prisons, there is a normal partition only on the ceilings of the cells. The middle of the building is hollow. From the corridor of the first floor you can see the glass skylight of the roof over the fifth floor. Sounds intensify and reverberate as they travel up and down this well. During Stalin's time, this fact was used to carry out psychic torture.

"Luckily I was able to ignore most of what went on in the hospital. I could get used to and not notice the incessant tap-dancing over my head for whole days at a time--with intermissions coming only when the dancer fell into total

insensibility. The one thing that I cannot forget and that sometimes awakened me at night was a wild night-time cry, mingled with the sound of breaking glass. In sleep evidently the nerves are not protected from such stimuli. I can only imagine what a person must suffer whose nervous system takes in everything around him.

"A patient in a Special Psychiatric Hospital does not have even the wretched rights of a prisoner. He has no rights. The doctor can do whatever they please to him and no one will interfere, no one will defend him. None of his complaints will ever leave the hospital. He has left only one hope--the honesty of

the doctors." (Ibid., p. 295.)

Some of the doctors were indeed honest, and attempted to shield the patients from the worst abuse. But since the whole system was under the control of the KGB, and the chief doctors like the notorious Professor Lunts, were in fact serving KGB officers, such attempts were doomed to impotence. The entire conception of the system deprived the prisoner of all rights. "They are entirely in the power of the personnel of these 'hospitals'." (Ibid., p. 407.)

All these horrors took place at a time when the government of the USSR was still proclaiming that it was "building

communism", that is, the highest form of human civilisation, a classless society in which the state has withered away and the need for coercion has been replaced by a free and voluntary co-operation between the members of society. The leaders of the Communist Parties now wring their hands and express their belated criticisms of all these horrors of which they alone appear to have been ignorant. But nowhere do they offer an explanation of how such monstrosities could occur under "real socialism". Thus, the whole thing is mystified and presented as merely arbitrary actions on the part of individuals. But that relegates them to the status of accidents (that is something which *cannot be explained*).

And that means that this kind of thing can happen in any society, including a socialist one. That is a fine advertisement for socialism! In fact, it can easily be explained by a Marxist as a means whereby a privileged ruling caste tried to defend its power and wealth against the majority of society. Once this fact is grasped, there is nothing mysterious or accidental about it. It merely reproduces a pattern of behaviour which is very familiar to any serious student of history who knows that, in the words of old Engels, in any society where art, science and government are the monopoly of a minority, that minority will use and abuse its position in its own interest.

Capitalists are necessary to capitalism. They are the "repositories of the means of production". The capitalist system cannot function without private profit--the only source of the investment fund. The greed for surplus value is thus the driving-force of the system. The workers see this as quite normal. A worker may demand a larger slice of the surplus value derived from his labour, but it would never occur to him to demand that the bosses should receive no profit. But where does the material wealth of the bureaucracy come from? All they were entitled to from an economic point of view were what Marx called the *wages of superintendence*. Anything more they got, not as productive agents, but as

thieves, parasites and gangsters.

Even the most basic of democratic rights was therefore too dangerous to concede, since the very first point which would be raised was the cutting down of privileges. Of course, from an economic point of view this was absolutely correct. But from the caste standpoint of the bureaucracy, it was the kiss of death. *This is the real material basis of the totalitarian regime.*

Far from the administration becoming more simplified, with the increased participation of the masses, a monstrous bureaucratic machine had been consolidated, with a far greater rate of

officials to workers than in any capitalist nation. Compared to this, even the American state with its vast military-industrial complex seemed small beer. Far from assisting the forward movement of society, the mass of ministries, departments and sub-departments and its mountains of paperwork, directives and red tape constituted one of the main impediments to the development of the productive forces. Not the interests of society and the working class, but the vested interests of the swelling army of functionaries determined policy.

The most criminal thing of all is that, under Brezhnev, the material conditions

existed for the Soviet Union at least to begin to move in the direction of socialism. The division of society into classes is historically determined by the *division of labour*, above all the division between mental and manual labour. But now the material basis existed for the abolition of this division. In 1917, there were only four million workers in Russia. In the Soviet Union in 1980, there were 120 million workers. This was the biggest and probably the most educated working class in the world.

On the basis of the massive development of industry, science and technology, there was no reason why there should not have

been the fullest flowering of workers' democracy. The prior condition for this was that the running of industry and the state be in the hands of the working class. There should have been full rights for all parties and trends to defend their opinions even including those few cranks who wanted to go, back to capitalism. Such a regime of real workers' democracy would have been a preparation for beginning to move towards socialism. But the prior condition for this was the overthrow of the bureaucracy, which was determined to hold onto power by all the means at its disposal.

This contradiction became increasingly

clearer, more blatant and more insufferable, not less, as the Soviet Union overcame its backwardness and developed into a modern economy. The rule of the bureaucracy remained an insurmountable obstacle, blocking the road towards socialism. That is why the level of repression increased, instead of decreasing as Lenin had envisaged, and as should have been the case as the material basis for social conflict disappeared. *In fact, the Soviet Union was moving further away from socialism, the differentials were growing ever greater, the social antagonisms ever sharper, the rule of the bureaucracy ever more intolerable. The totalitarian state was only the most*

palpable manifestation of this fact, not its cause.

Art and science

"I am surprised that you are surprised that a poet speaks out against bureaucracy because the words poet and bureaucrat are mutually exclusive."

Yevgenii Yevtushenko.

The October Revolution had a tremendously liberating influence on art and culture. A whole new generation of artists, poets and musicians were inspired to new heights by the revolution. But this inspiration did not survive the ebb of the revolution and the

suffocating atmosphere of spiritual and artistic repression that accompanied the Stalinist regime. Art and science, more than any other sphere of social life, require freedom to stretch their wings. They thrive in an atmosphere of free thought, debate, discussion and controversy. But they will wither under the dead hand of conformism, routine and bureaucratic rigidity.

The Stalinist attitude to the arts cannot be separated from the mode of operation of the totalitarian state in general. This applies as much to fascism as Stalinism, although the socio-economic base is quite different. No doubt a bureaucratic caricature of Marxism is preferable to

the poison of racism, the master race and the distilled essence of imperialism which forms the basis of fascist ideology, just as a regime of nationalisation and planning is preferable to the rule of the banks and monopolies. Nonetheless, in their treatment of art and science, there are clear similarities that are not accidental. A totalitarian state can accept no area of social life which it does not control utterly. Hitler not only banned the Socialist and Communist Parties and the unions, but even closed down the workers' chess clubs.

The Stalinist bureaucracy kept the artists and writers under the strictest control,

because, in the absence of parties and unions, the opposition of the workers and intellectuals could be expressed in other ways. Literature was particularly dangerous. But the pictorial arts, and even music, might also be used for subversive purposes. Hence the zeal with which the paid hacks of the state in the leadership of the Writers and Musicians' "Unions" pursued each and every deviation from the officially approved norms of "socialist realism". Just compare this suffocating atmosphere with the bubbling cauldron of artistic life in the 1920s, with its myriad schools of thought and style--Futurism, Acmeism, Symbolism, Imagism, Constructivism, and many other "isms"

with the soulless conformism of later decades, and we see how a great opportunity was lost.

The great Russian poet Vladimir Mayakovsky was one of the few well-known writers who had actively sympathised with the Bolsheviks before the Revolution (Maxim Gorky was another). Whereas other famous poets like Sergei Yesenin and Alexander Blok sympathised with the revolution as fellow travellers (the term was invented by Trotsky in the 1920s), Mayakovsky identified with it heart and soul, and this was reflected in his poetry, earning him the nickname "the drummer-boy of the revolution". In later years, his poetry and

plays frequently contained biting satirical attacks against the Soviet bureaucracy. In 1930 he committed suicide, which was almost certainly a protest against the slide towards bureaucratic reaction.

Many others did not take their own lives but were swept up in the Purges and perished in Stalin's camps. This was the fate of another great Russian poet, Osip Mandelstam. From 1932 on, the regime demanded complete submission from the writers and artists. Boris Pasternak stopped writing for a period of ten years. During the war he published some poetry, but then fell silent again in protest against Zhdanov's Purges,

writing nothing until the publication of Doctor Zhivago which was awarded the Nobel Prize in Sweden, and promptly banned in Russia.

In the field of music, great Soviet composers like Shostakovich and Prokofiev found themselves humiliated in public, their works denounced by ignorant bureaucrats such as Zhdanov, the equivalent of Vyshinsky in the world of culture. As in the Purge trials, they were compelled to engage in ritual confessions. Even then, some of their best works were banned. This was the fate of Shostakovich's opera The Lady Macbeth of Mtsensk and Prokofiev's sixth symphony, both banned by Stalin

and not performed in Russia until many years later.

Under Stalin, science was in the hands of a bureaucracy that decided which theories were acceptable to the ruling elite and which were anathema. Thus, in the field of genetics, Soviet research was held up for decades by the acceptance of the false theories of Lysenko who enjoyed the protection of Stalin. A similar situation existed in the field of linguistics, where the bogus theories of Marr were imposed on scholars for years, until the Boss shortly before his death unexpectedly intervened with his work on linguistics, whereupon it was a question of "About Turn!" in 24

hours.

Worse still, such a key science as cybernetics was denounced as bourgeois reactionary nonsense and virtually banned. This step alone set the Soviet Union back many years in the vital field of computer research. The same was true of resonance theory, for some reason or other. Einstein too was regarded with suspicion, although the physicists generally escaped lightly, since Stalin was anxious to get the atom bomb as soon as possible. Only pure mathematics seemed to get off scott-free, presumably because the bureaucrats could not make head or tail of it! Those who dared to protest found themselves cold-

shouldered, passed over for promotion, or even arrested. In such a climate, no one dared to make a move before looking over their shoulder first. Hardly the kind of atmosphere to encourage great advances and innovative thinking.

Add to this the fact that Soviet scientists were largely cut off from contact with the most advanced currents of scientific thought on a world scale, except by reading the digests made available to them, and a discouraging picture emerges. This explains why, despite having a large number of good scientists, they were unable to get the same results as in the West. The freedom to criticise, to experiment, to make mistakes, is

essential to the progress of science.

The same situation existed in philosophy. It is a condemnation of the Stalinist regime that for seventy years not one original work of Marxist philosophy or economics came out of the Soviet Union. With all the resources of a subcontinent at their disposal, they were not able to match the achievements of one man sitting alone in the reading room of the British Museum. That alone is a sufficient commentary on the so-called Marxism-Leninism of the Stalinist regime. Small wonder that the rigid, lifeless dogmas that were fed to generations of students under this heading provoked aversion, and only

served to discredit the very idea of Marxism in the eyes of a large number of serious intellectuals and youth.

It is no accident that the first stirrings of revolt against the bureaucracy in Eastern Europe were felt among the intellectuals. The intelligentsia is not capable of playing an independent role in society, but it is an extremely sensitive barometer which can reflect the tensions that are building up in the depths of society at a very early stage. This often gives rise to the illusion that students can cause a revolutionary movement, whereas in reality they merely act as the spark which ignites the combustible material accumulated in the previous

period. This was the case in France in 1968, and also with the Crooked Circle in Poland and the Petöfi Circle in Hungary in 1956.

This ferment among the intellectuals also existed in the Soviet Union. From the death of Stalin, a section of Soviet writers, cautiously at first, began to assert their rights against the palsied hand of official censorship. The official Soviet literature was dying on its feet. The poetess Vera Inber boldly stated that nobody read Soviet poetry and nobody ever would so long as it was about "the same old dam, the same old steam shovel". In a play published during the so-called Thaw, the dramatist Zorin

portrays the conflict between an old revolutionary veteran, Kirpichev, and his son, the Party bureaucrat and careerist, Pyotr:

"'The country has become stronger,' says old Kirpichev, 'and the people have become richer. But alongside the toilers and the willing horses there have appeared, imperceptibly, yet now in great numbers, such people as you; white collar aristocrats, greedy and conceited, far from the people.'

"É'I simply worked side by side with the great toilers of our lands,' old Kirpichev exclaims. 'I worked. And I did not know the taste of power. But you have known

its taste since childhood; and it has poisoned you'." (Quoted in Edward Crankshaw, op. cit., p. 108.)

Zorin's play was too much for the authorities. *Sovietskaya Kultura* protested:

"Only a person totally ignorant of the facts of life and intentionally closing his eyes to what goes on every day in front of us all could talk such pernicious nonsense. Where is the person who does not know that the aim and content of the whole activity of the Soviet organs--ministries, departments, and the rest--is daily concern for the vitally important interests of the working people, and that

the very word 'power' has become here, because of this, something lustrous, gladdening, the embodiment of the finest hopes and aspirations of every Soviet man and woman, and that our people regard their popular power with unshakeable trust and warm, filial love?"

It was not enough for the artist or writer to accept the totalitarian state. It was necessary to look upon it with "unshakeable trust" and "warm, filial love". In other words, the artist was expected to prostitute himself, to sing the praises of the state and the bureaucracy, and moreover do so sincerely, with all his heart--or else be condemned as a

traitor dealing in "pernicious nonsense". Is it any wonder that such a regime alienated the best of the artists and intellectuals? The so-called Unions of writers, composers and artists were no more than auxiliary arms of the police, run by trusties and agents of the bureaucracy like the old Stalinist Fadeyev, chairman of the Writers' Union.

Zorin fell into disgrace, and by the summer of 1954, all the major literary magazines were heavily censured and the editors of three of them dismissed. The reaction of the regime was not dictated by literary considerations. They feared that the opposition of the intellectuals could provide a point of

reference for the accumulated discontent of the masses. And they were right. The appearance of Dudintsev's novel *Not By Bread Alone* sparked off a new wave of criticism and opposition among the youth which spread to the factories:

"Authority was alarmed. All over Russia students at universities and technical colleges were launching wall-newspapers and duplicated manifestos expressing and demanding revolt--not against the Soviet system itself but against the corruption, the philistinism, and the dreary and oppressive conventions of the Establishment. When the mood spread to the factories, when in the Naval barracks at Kronstadt and

Vladivostok wall-newspapers started to appear and official agitators began to be heckled at factory meetings, the situation was clearly serious." (Crankshaw, op. cit., pp. 115-6.)

The young poet Yevgenii Yevtushenko was hostile to the bureaucracy, but always defended the Revolution. In October 1956, he dared to publish verses which called into question the so-called de-Stalinisation campaign:

"Certainly there have been changes; but
behind the speeches
Some murky game is being played.
We talk and talk about things we didn't
mention yesterday;

We say nothing about the things we did ourselves."

Yevtushenko was expelled from the Komsomol (the Young Communist League) in 1957, when the government cracked down on the students who sympathised with the Hungarian Revolution. With great courage, he hit back in a poem which was somehow published in Novy Mir:

"How terrible never to learn,
To claim the right to sit in judgement
To charge pure-hearted youth,
rebellious,
With impure designs.
There is no virtue in the zealotry of

suspicion.

Blind judges do not serve the people."

Trials of writers

Years later in 1988, Yevtushenko made a courageous speech against the bureaucracy at the Writers' Union, in which he denounced the privileges of the Party elite, quoted at the beginning of this chapter. Under Brezhnev, the position of artists and writers got steadily worse. At least under Khrushchev the "de-Stalinisation" campaign left the window of artistic expression half open. But, for reasons we have already explained, a totalitarian regime cannot tolerate the slightest

concessions to free speech. The experiments of Khrushchev proved to the ruling caste that this was dangerous terrain. The window was slammed shut. A series of notorious trials of writers like Sinyavsky and Daniel were a grim warning to the whole artistic community not to step out of line. They were once more compelled to grit their teeth and keep their heads down--or suffer the consequences. The result of this persecution was to push a section of the artists and intellectuals into anti-Soviet attitudes, thus further undermining the system.

Scandalously, the Party hacks attempted to attribute to Lenin the doctrine that

writers must only put forward ideas which reflect the "General Line". This is false from start to finish. A simple glance at the articles by Lenin show that they have been taken completely out of context. Lenin was referring *to the party press*, which is entirely different from general literature. A party is a voluntary union. Nobody is obliged to join it. But it is reasonable to expect that articles in the public journals of the party should in general reflect the ideas of the party. *But Lenin never dreamed of applying this principle to the state.*

As a matter of fact Lenin wrote little on art and literature, being absorbed by other matters. His literary tastes were

generally rather conservative, mainly the classics. For example, he did not like Mayakovsky's poetry, which was too modern for his liking. On one occasion, after the Revolution when paper was in very short supply, he was appalled to discover that Mayakovsky's verse was to be published in a large edition, but it never entered his mind to use his influence to stop it. Under Lenin and Trotsky, the artists and writers enjoyed the widest freedom to work and experiment. This explains the extraordinary blossoming of art and literature in the early period of Soviet power.

Stalinist totalitarianism had a baneful

influence on art and literature. It succeeded in pushing a section of the cultural intelligentsia into the arms of the pro-capitalist reaction. The demand for "freedom" struck a responsive chord. But the movement towards a market economy has meant that the world of Russian culture has jumped from the frying pan into the fire. In the world of the jungle, culture has no place. The crooks, Mafiosi and get-rich-quick merchants are no less philistine than the old bureaucrats. The slashing of state expenditure on education and culture has the character of blatant vandalism. The effects have been immediate and predictable.

Unemployment and poverty affects the intelligentsia as well as the workers. National institutions like the Bolshoi theatre have seen artistic standards plummet. Promising young musicians emigrate abroad to find a living in second-rate provincial orchestras in Spain and Ireland. It is even possible to see professors from Ukrainian conservatories busking for a few francs before the tourists on the streets of Paris. Thus, in place of the old chains, the world of culture finds itself bound fast with new ones. For it just as easy to enslave, oppress and silence the individual using the monopoly of wealth as it is through control of the state. It means the exchange of one slavery for

another. That is all.

Meanwhile, a new generation of cultural spivs and opportunists cater for the tastes of the Mafia capitalists. Some have become millionaires, like the Georgian sculptor Zural Tseretelli who, for obscure reasons appears to have a monopoly on contracts for putting up monumental sculptures in public places in Moscow. His work is of such dubious value that the managers of one park decided to quietly shunt it into a corner where it could go unnoticed. Tseretelli now lives in what used to be the German embassy. On this road there is no real future for art, science and literature. Only a genuine regime of socialist

democracy offers a fertile ground for the free flourishing of culture. Socialism was once defined by Trotsky as "human relations without greed, friendship without envy and intrigue, love without base calculation". The struggle for such a society is a worthy objective for men and women who have dedicated their lives to the search after harmony, truth and beauty.

Trotsky, unlike Lenin, did write a great deal on art and literature. He somehow found time to participate in the lively debates between the different schools of literature in the 1920s. His writings, which defend a Marxist, class attitude to art, appeared under the title Literature

and Revolution. But, while giving his opinions on each school from a Marxist standpoint, he never attempted to foist his views, or those of the Bolshevik Party on artists, much less demand "filial love" and "unshakeable trust" of them. Love and trust must be earned, not demanded or imposed by laws and censorship.

Years later, when Trotsky was in exile in Mexico trying to regroup the forces of Bolshevism-Leninism, he did not forget the creative intelligentsia. In a letter dated 1st June 1938, he wrote the following:

"The dictatorship of the reactionary

bureaucracy has stifled or prostituted the intellectual activity of a whole generation. It is impossible to look without physical repugnance at the reproductions of Soviet paintings and sculpture, in which functionaries armed with brushes, under the surveillance of functionaries armed with guns, glorify as 'great' men and 'geniuses' their chiefs, who in reality are without the slightest spark of genius or greatness. The art of the Stalinist epoch will go down in history as the most spectacular expression of the most abysmal decline that the proletarian revolution has ever undergone.

"Only a new upsurge of the

revolutionary movement can enrich art with new perspectives and possibilities. The Fourth International obviously cannot take on the task of directing art, that is to say, give orders or prescribe methods. Such an attitude toward art could only enter the skulls of Moscow bureaucrats drunk with omnipotence. Art and science do not find their fundamental nature through patrons; art, by its very existence, rejects them. Creative revolutionary activity has its own internal laws even when it consciously serves social development. Revolutionary art is incompatible with falsehood, hypocrisy, and the spirit of accommodation. Poets, artists, sculptors, musicians will themselves find their

paths and methods, if the revolutionary movement of the masses dissipates the clouds of scepticism and pessimism which darken humanity's horizon today. The new generation of creators must be convinced that the face of the old Internationals represents the past of humanity and not its future." (Trotsky, *Writings 1937-38*, pp. 351-2.)

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Russia:

**from Revolution to
counterrevolution**

Part Seven:

The meaning of perestroika

An absolute fetter

The bureaucracy imagined it would rule, like Tsarism, for a thousand years. Yet, in a very short space of time, all its dreams turned to dust. In only two and a half generations, the bureaucracy had utterly exhausted any progressive role it

may have played in the past. From a relative fetter on the development of society, it had become transformed into an absolute fetter. Thus, what was beginning to look like a fixed and permanent order of things now stood exposed for what it always was--a temporary historical aberration which was doomed to be swept away in the coming period. By the late 1970s, all the chickens came home to roost.

Just take the following example from a key sector of the Soviet economy. The old gas and oilfields were becoming depleted, but the USSR had almost unlimited resources in west Siberia alone, which they could not develop.

Why? In one year alone, in 1983, 20 per cent of Soviet oilwells were out of action because of lack of repairs, incompetent management and shortage of labour. This was 2,000 more wells than anticipated. Why was there a labour shortage for work on the oilrigs? Bureaucratic planning concentrated everything on production but often neglected housing and recreation facilities for workers. Such things were usually given low priority. Given the fact that the oil and coal in Russia is often situated in the most remote and inhospitable regions, it is not surprising that many workers did not want to go there. In spite of high wages, there was a high labour turnover.

In the last decades, the ruling clique had tried all manner of combinations involving decentralisation, recentralisation, redcentralisation. To no avail. Some, like Isaac Deutscher, imagined that the bureaucracy was going to reform itself out of existence. Vain hope! The privileged ruling caste was prepared to do anything for the working class--except get off its back! A modern economy producing one million different commodities each year could not be organised properly without the conscious control and participation of the majority of society. But the introduction of a regime of workers' democracy would have immediately spelt the end of the power and privileges

of the bureaucracy, which they could not accept.

More than 30 years ago, we explained that every year anything between 30 per cent and 50 per cent of the wealth produced by the Soviet workers was lost through bureaucratic mismanagement, theft and corruption. By the mid-1970s, as we have seen, the rate of economic growth had been lower than the major capitalist powers in the period of the world economic upswing or even in some years of economic decline. In 1979 the GDP grew by 0.9 per cent, in 1980 1.5 per cent, and about 2.5 per cent in 1981 and 1982. The bureaucracy acted as a gigantic brake on the economy,

which had been slowing down for decades, weighed down by the burden of parasitism, chaos and outright sabotage.

Rampant corruption and crime represented a cancer which riddled the body of Soviet society from top to bottom. The shameless looting of the state by the bureaucracy was well documented and numerous examples appeared in the Soviet press. In 1984 the manager of Gastronom Number One, a high-class food store in central Moscow, was shot for corruption. When police dug up his garden they found bundles of rotting roubles he had not had time to spend. By the late 1970s, things had gone so far that there was a black

market, not only in blue jeans and ball-point pens, but in steel, coal and oil. This was known in the West as "the parallel market". And woe betide the manager who tried to ignore it!

There was a case reported in the Soviet press of the manager of a department store, a model member of the Komsomol, who announced to his assembled staff on the first day that he would not tolerate any stealing, corruption or blat *, and that only the official state prices must be paid for deliveries. Within a week, the store faced bankruptcy. No goods were delivered, and the shelves were empty. The manager drew the necessary

conclusion and fell into line with the accepted practices. There were millions of such examples.

In the early 1980s, Soviet society had reach a complete blind alley. The whole of the bureaucratic system was on a knife-edge. Not only in social relations but in the development of industry too, the contradictions between the economic basis of the Soviet Union and the role of its bureaucratic leadership had become extreme. The ruling bureaucracy was split in several directions over which path to take. The mass movement of the Polish workers around Solidarity in 1980-81 with its clear revolutionary potential, was a warning of the

processes that could take place in Russia if nothing was done. Even the aged Brezhnev, hoping to dissipate the discontent that was beginning to build up, was stirred into berating the so-called Soviet trade union leaders for not "representing" the interests of their workers. The ruling elite was clearly worried.

The sclerotic nature of the system was graphically reflected in the geriatric leadership which became a standing joke. Brezhnev was artificially kept alive by the Kremlin doctors and specialists when he was clearly a walking corpse. This was no accident. The ruling elite was deeply divided and

worried about the future. They feared that the death of Brezhnev would open up the floodgates. When he finally went the way of all flesh, they first settled on another geriatric, Konstantin Chernenko, as a compromise candidate. But he let them down by dying fairly soon. Yuri Andropov appeared to be a more substantial figure with his background in the KGB. Paradoxically, this meant that he was more in touch with reality, since in a totalitarian state the secret police are almost the only ones who are well informed. It is probable that he realised how dangerous the situation had become and was planning some kind of reform from above. But Andropov also died unexpectedly, leaving the succession

open to his younger protégé, Mikhail Gorbachov.

This consummate representative of the ruling elite was quite prepared to strike blows against a section of the bureaucracy upon which he rested in order to preserve the power, perks and prestige of the ruling caste as a whole. In the same way, for more than a century, Russian Tsarism frequently attempted to preserve itself by administrative reforms, such as the emancipation of the serfs in 1861, balancing between the classes, at times attacking the interests of sections of the bureaucracy and the gentry and even attempting to lean on the "people" in order to do so.

The election of Gorbachov as Party secretary in 1985 proved to be a turning-point. Gorbachov's speech at the 27th Congress of the Communist Party together with his speech to the January 1987 plenum of the Central Committee, marked a new stage in the process. Speeches by Kremlin leader attacking corruption, waste and inefficiency, were nothing new, but Gorbachov's reforms went much further than anything put forward in the previous 30 years. He called for a loosening up of the bureaucratic stranglehold in the economy and in Russian society generally. Gorbachov advocated greater "democracy", the election under certain conditions of factory managers, elections

within the Communist Party, and other such reforms. These attempts to reform the Stalinist system were seen as necessary to loosen up the economy and provide an impetus to economic growth. This process took place under the banner of glasnost, and perestroika.

These proposals were nothing to do with genuine workers' democracy, which is incompatible with the bureaucratic system, but were simply aimed at removing the worst log-jams in the stagnant Soviet economy. The crisis of the Soviet economy, the split in the bureaucracy that these measures of "reform" represented, were symptomatic of the turbulent period that was

unfolding in the Soviet Union. In his campaign to reform the system, Gorbachov partially lifted the lid off a seething cauldron of corruption, crime and discontent throughout all the Republics of the Soviet Union.

Gorbachov realised that the situation could not continue without the danger of a social explosion. Enormous discontent had accumulated within Soviet society. Thousands of examples of corruption had been given in the Soviet press.

In his report to the 27th Party Congress, Gorbachov justifiably boasted that in the last 25 years: "The fixed production assets of our economy have increased seven times over. Thousands of

enterprises have been built and new industries created. The national income has gone up nearly 300 per cent, industrial production 400 per cent and agriculture 70 per cent. Before the war, and in early postwar years, the level of the US economy appeared to us hard to attain, but it was really in the 1970s that we have come substantially close to it in terms of our scientific, technical and economic potential and had even surpassed it in the output of certain key items. These achievements are the result of tremendous effort by the people. They enabled us to enhance considerably the well-being of Soviet citizensÉ"

However, Gorbachov was compelled to

admit: "At the same time difficulties began to build up in the economy in the 1970s, with the rates of economic growth declining visibly. As a result the targets for economic development set in the CPSU programme and even the lower targets of the 9th and 10th Five-Year Plans were not attained. Neither did we manage to carry out fully the social programme charted for this period. A lag ensued in the material basis of science, education, health protection, culture and every day services É the economy, which has enormous resources at its disposal, ran into shortages. A gap appeared between the needs of society and the attained level of production, between the

effective demand and supply of goods."

Gorbachov also exposed the chronic bureaucratic waste in the agricultural sector:

"Reducing crop and livestock produce losses during harvesting, transportation, storage and processing is the most immediate source of augmenting food stocks. We have no small potentialities in this respect; the addition to consumption resources could amount to as much as 20 per cent, and in the case of some products, to as much as 30 per cent. Besides, eliminating the losses would cost only between a third and one half as much as raising the same amount

of produce."

He concluded: "Today the prime task of the party and the entire people is to resolutely reverse the unfavourable tendencies in the developing of the economy, to impart to it the due dynamism and to give scope to the initiative and creativity of the masses, to truly revolutionary change."

In an attempt to lean on the workers, demagogic attacks were made on the bureaucracy:

"Owing to a slackening of control, and a number of other reasons (?), groups of people have appeared with a distinctive property mentality (?) and a scornful

attitude to society. Working people have legitimately raised the question of rooting out such things. It is considered necessary in the immediate future to carry out additional measures against parasites, plunderers of socialist property, bribe-takers and all those who embark on a path foreign to the work-oriented nature of our system." And again: "We are justifiably exasperated by all sorts of shortcomings and by those responsible for them — hack writers and idlers, grabbers and writers of anonymous letters, petty bureaucrats and bribe-takers." (Quoted in *The Times*, 26/6/86.) It was admitted that Party leaders had "lost touch with life", and that they encouraged "toadyism — and

unbridled praise for people of rank".
(Daily Telegraph, 26/2/86.)

Cautiously, moving from above, Gorbachov encouraged an element of freedom of criticism, but always within the prescribed limits. The Soviet press was full of the most outrageous examples of the rapacity of these gangsters with their bloated salaries, official limousines and unchecked expense accounts. Slavishly the foreign Communist Party press had reprinted these stories without comment. The same people who for decades justified every crime of Stalinism, talking about the "wonders of socialism" in the USSR now said precisely the opposite without

so much as blinking.

Gorbachov and Stalin

It is not generally remembered that Stalin himself also tried to lean on the masses to strike blows against the bureaucracy. During the period of the first two Five-Year Plans, Stalin was compelled to try and curb the greed of the bureaucrats, who were tending to devour an excessive amount of the surplus produced by the working class. By introducing the secret ballot, Stalin intended to lean on the masses to cow the officialdom he represented. There was a mock-up of a bourgeois parliament, but with only one party, this

was a farce. Even if there had been more than one candidate, only the candidates vetted and accepted by the Party would be allowed to win anyway. However, Stalin did not dare to introduce his reforms in practice. The Spanish Revolution caused Stalin to back away from his intended reforms and launch the Purges, as we have seen. The sole method which remained to keep the greed of the officials in some kind of check was police repression and terror. But this engenders a new and even more monstrous corruption, dislocates and disorganises society, and represents a movement away from socialism, not towards it.

Trotsky explained how the Stalin constitution, which on paper seemed very democratic, was intended as a "whip against the bureaucracy".

Bonapartist rule involves, among other things, balancing between different groups and classes--between the workers, the peasants, and the bureaucrats themselves--playing off one section against another. In the same way, Gorbachov was compelled to lean on the working class to strike blows at a section of the bureaucratic caste which had gained enormously from its parasitic grip on the economy and the state. Gorbachov wanted to introduce controlled reforms from above, but it was, as we predicted at the time,

impossible. As soon as the grip of the bureaucracy was loosened all sorts of pent-up forces were released.

Whereas in the 1930s the working class made up around 20 per cent of Russian society, the figure in the mid-1980s was nearer to 70 per cent. Russia was no longer a backward country but a sophisticated economy with the largest working class in the world. These reforms could trigger the Russian workers to take independent action. Despite the limited character of Gorbachov's aims, they could set the masses in motion. Inevitably, once the workers manage to get a certain measure of control they would inevitably lead to

a striving for workers' democracy: why does the bureaucracy get more than the wages of superintendence? Why must the bureaucracy have their perks, country houses, special cars, special food shops, and so on, which can only be used by party and state bureaucrats?

A man who rides on the back of a tiger finds it difficult to dismount. Once he had embarked on the road of so-called reform, Gorbachov found it impossible to reverse the process he had set in motion. Like Stalin, Gorbachov took measures against the lower and middle bureaucrats, and even some of the higher bureaucrats, as scapegoats for the sins of the entire system. Thus in his first 11

months Gorbachov purged 46 out of 156 regional Party hierarchy.

At bottom, the reforms were aimed at raising the productivity of labour through cost efficiency. By a mixture of stick and carrot (discipline and incentives) the regime hoped to get the Soviet workers to produce more. While trying to lean on the working class, Gorbachov also attempted to revive the old Stalinist method of Stakhanovism, named after a miner who allegedly produced over 100 tonnes of coal per shift (six times more than the norm!). This was an extreme version of what used to be called Taylorism in the USA--payment by results, involving extreme exploitation.

In Stalin's time, this involved the creation of a special elite of shock workers (udarniki) who were responsible for setting the norms of production at abnormally high levels.

Trotsky pointed out at the time that it was easier to motivate a minority of shock workers than the mass, but explained the contradiction between a society allegedly "building socialism", which aped the worst and most exploitative features of capitalism. Instead of moving towards greater equality, this meant far greater inequality, and the establishment of a privileged layer within the working class. While some Stakhanovites were

honest workers, the majority were careerists and toadies, who were hated by their workmates, who attacked, beat and sometimes killed them. This was a retrograde step even in the 1930s. But in the context of an advanced modern economy, which was supposed to be moving towards "communism", the contradiction was still more glaring.

Trotsky explained that: "Wage labour does not cease, even under the Soviet regime, to wear the humiliating label of slavery. Payment 'according to work'--in reality payment to the advantage of 'intellectual' at the expense of the physical, and especially unskilled, work--is a source of injustice,

oppression and compulsions for the majority, privileges and a 'happy life' for the few."

"Instead of frankly acknowledging that bourgeois norms of labour and distribution still prevail in the Soviet Union," Trotsky continues, "the authors of the constitution [the new constitution introduced by Stalin in 1936] have cut this integral communist principle in two halves, postponed the second half to an indefinite future, declared the first half already realised, mechanically hitched on to it the capitalist norm of piecework payment 'named the whole thing 'principle of socialism' and upon this falsification erected the structure of their

constitution!"

Trotsky went on to explain: "At the same time--and this is of no small importance--a protection by law of the hut, cow and home furnishings of the peasant, worker or clerical worker, also legalises the town house of the bureaucrat, his summer home, his automobile and all the other objects of personal consumption and comfort, appropriated by him on the basis of the 'socialist' principle: 'From each according to his abilities, to each according to his work.' The bureaucrat's automobile will certainly be protected by the new fundamental law more effectively than the peasant's wagon."
(Trotsky, *The Revolution Betrayed*,

pp.259-60)

In his desperation to find a way out of the impasse, Gorbachov tried to inject some spark of life into the economy by appealing to the workers and making an example of the most malignant cases of bureaucratic control. Nevertheless, Gorbachov did not represent the interests of the workers. His reforms were intended to wage war on the "illegal" privileges and perks of the officials, while steadily increasing the "legal" ones. Already under his rule, income differentials steadily increased--the exact opposite of Lenin's conception.

In fact, Gorbachov's proposals had

nothing in common with the democracy of Lenin nor of genuine socialism. The bureaucracy feared the working class. The legal and illegal perks, bribery and theft had to be curtailed. Nevertheless, in doing so, Gorbachov did not want to interfere fundamentally with the privileges of the bureaucratic caste. The "legitimate" privileges had to be maintained, if not increased. In fact, Gorbachov was very careful to put forward the erroneous definition of Stalin: "We are fully restoring the principle of socialism: 'From each according to his ability, *to each according to his work*'." (Gorbachov, Perestroika--New Thinking for Our Country and the World, p. 31, my

emphasis.) The original formulation of Marx was deliberately distorted. Marx explained that under communism there would be no compulsion to work, each member of society giving "according to their ability". The superabundance of this classless society would allow its members to take "according to their needs". This concept had nothing whatsoever to do with situation under Gorbachov, and was nothing more than window dressing for his policies.

Bureaucratic mismanagement

Bureaucratic bungling had given rise to all kinds of distortions in the Soviet economy. While some sections were

very modern, others had been starved of investment, like the Likino bus manufacturing plant in the Urals which was producing the same model as in 1970 with machine tools built 40 years earlier. And yet Gorbachov insisted that the workers must produce quality goods and be penalised if they did not. But on outdated machinery and hamstrung by red tape and mismanagement, it was virtually impossible to comply with the standards laid down. Thus perestroika for many workers meant a worsening of wages and conditions. In effect, the bureaucracy, like the Western bosses, was trying to get out of the crisis by putting pressure on the workforce, trying to increase productivity at the cost of the

workers' sweat, muscle and nerves.

Significantly, the only time Gorbachov attempted to deal with "theoretical" questions in his book Perestroika is when he tried to justify wage differentials as being consistent with socialism! Under conditions of poverty, deprivation and backwardness, with a semi-literate working class, and an illiterate peasantry, the Bolsheviks were compelled to concede to the bourgeois specialists salaries far in excess of the Party maximum. But for an advanced country to tolerate such inequalities would have been regarded by Lenin and Trotsky as quite unpardonable. Lenin envisaged that, as the Soviet economy

advanced, so the inequalities would gradually be reduced. When the Soviet Union developed into an industrial nation with a highly educated working class, the existence of differentials of this sort was completely anti-socialist and anti-Marxist. Yet far from disappearing, seven decades after October, inequality was increasing all the time. Far from standing on Lenin's position of greater and greater equality, and the progressive abolition of differentials, Gorbachov was increasing them.

Like Stalin, Gorbachov attempted to broaden the base of the bureaucracy by creating a special privileged layer of

labour aristocrats, on high bonuses linked to productivity. The problem was that the growth of differentials and inequalities within the workforce, setting worker against worker and factory against factory, would only serve to stoke the fires of resentment. It was no accident that Gorbachov, in his speech on the anniversary of the October Revolution, spoke of opposition to his reforms not only from the bureaucracy, but also in "work collectives". This indicated the growing alarm of the bureaucracy at the spate of strikes which for the first time were widely reported in the Soviet press. For instance, the workers at the Likino bus manufacturing plant went on strike for three days in

protest at having a wage cut of Rbs60-70 a month because of non payment of bonuses. Moving towards socialism would mean a lessening of inequality, not a reinforcement of inequality as Gorbachov was undertaking. Thus the argument that "socialism" had been achieved in the Soviet Union, when the state had reached such monstrous proportions was a total mockery. Despite this, Gorbachov received the praise of the Stalinist leaders internationally, together with the left reformists, for his "socialism with a democratic face".

Yet the USSR was no longer the weak, impoverished, embattled state of Lenin's

day. As Gorbachov, himself had commented, the Soviet Union was now a vast and wealthy country. If the workers were really to take into their hands the running of the state, industry and society, all the bottlenecks produced by the bureaucracy could have been quickly eliminated. Freed from the dead-hand of bureaucracy, the planned economy would soar ahead. In the space of one Five-Year Plan, the wealth of society could be enormously increased on the basis of unleashing the initiative and enthusiasm of the masses.

In 1919 when the workers took power in Saxony and Bavaria, Lenin immediately appealed to them to introduce the seven-

hour working day so that the workers would have time to run industry and the state. Gorbachov claimed to stand for a return to the ideas of Lenin, but in reality he was as far away as Stalin from genuine Leninism. If an appeal was made to the Russian workers and peasants to take control of society and industry into their own hands, it would have been possible immediately to move to a reduction of the working day, the prior condition for establishing a genuine regime of workers' democracy.

This is true even today, although as a result of the ghastly chaos caused by Mafia capitalism, it is probable that initially the advance will be slower than

what would be warranted by the real possibilities created by the planned economy. But within one or, at most two, Five-Year Plans, with the democratic control and participation of the masses, the whole situation will be transformed. Given the present level of development, it should be possible quite soon to introduce the 32 hour week, followed by a further reduction of hours. Such a measure would transform the situation, not only in Russia, but throughout the world.

The material conditions for beginning a move towards socialism had been built up in Russia over the previous six or seven decades. In fact, the scientific and

technical resources necessary to begin the move towards socialism, absent in 1917, were now present. Even on the most conservative estimate, the Soviet economy in the 1980s, under these conditions, could have attained two or three times the then rate of growth, far exceeding even the best results under capitalism, and on a sustained basis within ten years, the Soviet Union could have overtaken the USA not only in absolute terms but in terms of the productivity of labour--the most fundamental index of economic progress. On such a basis, it would really have been possible to begin to move towards socialism, with an unparalleled flowering of art, science and technique.

Gorbachov's solution was to carry through "all-round democratisation of management, heightening the part played in it by work collectives, strengthening control from below, and ensuring accountability and publicity in the work of economic bodies". But his declared intentions proved to be pure demagogy as a serious move in such a direction would strike at the very heart of bureaucratic control. He certainly had no intention of going that far. The changes were really only cosmetic, although a certain consultation was allowed with workers in an endeavour to involve them in some decisions, without introducing genuine workers' control and management. Nevertheless, Gorbachov

continued to hammer away in the same demagogic manner:

"The elective bodies should be more exacting and strict towards their own apparatus. One cannot overlook the fact that executives who remain in offices for long periods tend to lose their feel for the new, to shut themselves off from the people by institutions they have concocted themselves, and sometimes even hold back the work of elective bodies. It is obviously time to work out a procedure which enables soviets, and all social bodies in general, to evaluate and certify the work of responsible executives of their apparatus after each election making desirable personnel

changes.

"Ever more active involvement of social organisations in governing the country is needed in our time. When the work of our social organisations is considered from this angle, however, it becomes obvious that many of them are lacking in sufficient initiative. Some of them try to operate above all through their regular staff, in a bureaucratic way, and lean only a little on the masses. In other words, the popular collective, independent nature of social organisations is not being fully realised by far."

Gorbachov even came out in his speech

to the 27th Party Congress for the "electivity principle for all team leaders and then gradually to some other categories of managerial personnel-- foremen, shift, sector or shop superintendents, and state-farm department managers". He was stretching things to the limit in order to propel the economy forward, but he was playing with fire. Once you introduce "electivity", as far as the workers were concerned, where would it end?

The fact that he was compelled to raise the question in his January 1987 speech of the election of all the posts in the "Communist" Party was an indication that not much success was achieved in

the election of foremen and the rest. The bureaucracy blocked the development of this so-called principle. Gorbachov was attempting to use these "reforms" as a whip against the bureaucracy within the Party itself. The real situation in Soviet society was indicated by the desperate attempt of Gorbachov to use the secret ballot, as Stalin had done, in elections from lower to higher levels of the Communist Party, as a means to break the will of the more reactionary sections of the bureaucracy, who wanted to continue their unhindered looting of the Soviet state.

"In a capitalist society," explains Trotsky, "the secret ballot is meant to

defend the exploited from the terror of the exploiters. If the bourgeoisie finally adopted such a reform, obviously under pressure from the masses, it was only because it became interested in protecting its state at least partially from the demoralisation introduced by itself. But in a socialist society there can be, it would seem, no terror of the exploiters.

"From whom is it necessary to defend the Soviet citizens? The answer is clear: from the bureaucracy. Stalin is frank enough to recognise this. To the question: Why are secret elections necessary? He answered verbatim: 'Because *we* intend to give the Soviet people their freedom to vote for those

they want to elect.' Thus humanity learns from an authoritative source that today the 'Soviet people' cannot yet vote for those whom they want to elect. It would be hasty to conclude from this that the new constitution will really tender them this opportunity in the future." (Trotsky, *The Revolution Betrayed*, p. 264-5, emphasis in original.)

The bureaucratic system under Gorbachov remained in essence what it had been during the course of the rule of the bureaucracy. The attempt to hold a whip over the bureaucracy was doomed to fail. "It is not a question of sociology, but material interest," as Trotsky put it. The economy could not develop without

the participation and control of the working class. Gorbachov was gambling on maintaining control with some elements of participation and control by the workers. However, there is no such thing as a partial control by the mass of the population. Either the workers get control or control is taken back from them. Partial control could never succeed.

A parasitic caste

This was the fundamental flaw in Gorbachov's position. To encourage greater initiative (and therefore greater productivity from the workers, while simultaneously defending the privileges

and perks of the bureaucracy) was to attempt to square the circle. In order to get the Soviet economy moving again, in order to eliminate corruption and motivate the working class, it would have been necessary to grant freedom to the workers to organise, discuss and criticise. But this was impossible. The very first point the workers would have raised would be the parasitic nature of the privileges of the millions of officials, their wives, dependants and hangers-on. From an economic point of view, this argument remains unanswerable. But Gorbachov could not allow this question to be put, for the simple reason that he represented the material interests of the ruling caste.

The big majority of the 19 million or so officials who made up the bureaucracy were now the children and grandchildren of bureaucrats. They now had all the attributes of a special ruling caste, like the dominant caste in ancient India, increasingly divorced from the life and thought of ordinary workers. The bureaucracy itself, despite the new Gorbachov image, was profoundly demoralised, divided and pessimistic. After more than 70 years, all links with the ideas and traditions of October had been severed. In his famous satire *Animal Farm*, George Orwell depicts the pigs and farmers in a meeting where it is impossible to distinguish one group from the other. Two generations of

bureaucratic rule produced a layer of privileged functionaries utterly divorced from the working class and the ideas of the October Revolution.

Apart from their inflated salaries and privileges, they lived a life totally apart from the masses, with special shops, restaurants, clinics, rest-homes, and even beaches. Their wives did not have to queue in the cold. Unlike their fellow citizens, they could travel abroad and had access to foreign currency and all the luxury items denied to the rest. Although not officially admitted, there were even the equivalent of private schools under the thin disguise of special foreign language schools, where

the children of the bureaucracy had a virtual monopoly. The outlook of this group had nothing to do with the working class or socialism, as the following quotations point out:

"The jet-set are what one would expect: the sons and daughters of the very rich and the very privileged, who have no intention of working, believe in nothing at all (not even in revolt), and do their best to turn their fathers' Sochi villas into imitations of Palm Beach. They dress in imported European clothes; they drink themselves silly; they philander and fornicate; they gamble and they dance. Regarding the mass of the people as cattle and the intelligentsia as prigs

and bores, they live almost entirely to themselves, in and out of each other's houses, and are thus rarely seen."
(Crankshaw, op. cit., p. 134.)

And again in *The Guardian*, (19/2/86):

"But there have been so many of these children of the party elite that even out of mainstream politics they constitute a new class of their own. And their children are now also going to the privileged schools. *There is today a Soviet middle class, urbane and sophisticated with its own old-boy network and that is entirely separated from the nomenklatura.*" (My emphasis.)

The luxurious living conditions of the elite were no secret. The special Kremlin supermarket in Granovsky Street was conveniently situated next door to the special Kremlin clinic: "The special hospitals for top Party officials are unique in their access to Western drugs and they have the use of country estates and lavish flats that go with their jobs.

"ÉHe [Brezhnev] lived well, he agreed, but earned no more than a top factory manager, who could expect, with bonuses, about £200 a week. Even the Soviet press found it difficult to keep a straight face at that statement." (Ibid.)

For the bureaucracy, the revolution had served the purpose of giving it unheard-of power and privileges. In the words of Kirpichev in Zorin's play, they were "white collar aristocrats, greedy and conceited, far from the people". The old Stalinist officials were corrupt gangsters, but at least had some link with the old traditions. Here we had a new generation of aristocrats "born in the purple", used to French perfume, expensive foreign suits and Cadillacs. Raisa Gorbachov was a classical specimen of these creatures. Pierre Cardin described Raisa as "one of the most charming wives of foreign dignitaries that has ever visited my salon". By some strange irony, Mrs

Gorbachov had been a lecturer in Marxism-Leninism at Moscow University, though what kind of Marxism that would have been defies the imagination.

In the 1920s, the Left Oppositionist Sosnovsky coined the phrase "the automobile-harem factor" in relation to the rise of the bureaucracy. Aspiring bureaucrats would marry the daughters of bourgeois and aristocrats and imitate their outlook and habits. The big cars of the officials and their "painted ladies" recalled the protest of Gracchus Babeuf at a similar phenomenon in the period of Thermidorian reaction of the French Revolution, when former Jacobins took

to wining and dining with aristocrats, and marrying their daughters: "What are you doing, small-hearted plebeian? Today they are embracing you and tomorrow they will strangle you."

Nothing expressed more graphically the reactionary petty bourgeois character of the new clique of sleek bureaucrats represented by Gorbachov than their wives.

The rulers of the Soviet Union were, in fact, even more remote from the population than the ruling class in the West. This fact was expressed in an outburst from one of the delegates at the special conference of the CPSU held in 1988. (Incidentally, this was the first

such conference since 1941):

"We know more about the position of President Reagan and the Queen of England than we know about our own leaders." (Quoted in The Wall Street Journal, 5/7/88, my emphasis.)

The ruling elite fell more and more under the influence of capitalism, the more alienated and remote they became from Soviet society. Here we have a graphic example of what Engels meant when he referred to the state as a "power standing above society and increasingly alienating itself from it". In particular the elite of the diplomatic corps got used to hobnobbing with bourgeois circles in the

West, and clearly enjoyed the experience. Eduard Shevardnadze was typical of this layer. Unlike the old crude and ignorant bureaucrats who could not even speak a foreign language, the new layer were educated, sleek, cosmopolitan--and with the mentality of petty bourgeois upstarts which is the hallmark of reformist leaders in their dealings with the big bourgeois, where fear and envy struggle with a secret and slavish admiration.

Nowhere was the rottenness of the bureaucracy more evident than in the period of so-called perestroika (or "katastroika", as the Soviet workers soon dubbed it). Gorbachov was smart

enough to realise that, unless drastic measures were taken by the leadership, the whole thing would seize up. At this point, there is no reason to suppose that he intended to return to capitalism. The pro-capitalist elements in the bureaucracy were almost certainly in a minority at this time. But Gorbachov had set in motion processes which had a logic of their own.

Ferment of discontent

Gorbachov's reforms--like those of Khrushchev--gave an initial fillip to the economy. Even so, the target of 4 per cent was a miserable travesty of what could have been achieved by the

economy under a regime of workers' democracy. Soviet industrial output rose 5.6 per cent by September 1986 compared to a year earlier, largely as a result of Gorbachov's "efficiency drive". This was an improvement on the figures achieved under Brezhnev, but still did not even reach the growth of the capitalist economies in times of boom. This was in a country with 25 per cent of the world's engineers, technicians and scientists, and the resources of a sixth of the world at its disposal! The relative improvement was achieved in part by chopping away some of the dead-wood, eliminating the most scandalously inefficient and corrupt officials. About 50 per cent of government ministers and

chairpersons and 30 per cent of Party secretaries were removed. Some 200,000 officials were sacked. Compared to a total of 19 million bureaucrats, this was chicken feed. Yet it provoked a fierce resistance on the part of that section of the bureaucracy, headed by Ligachev, which opposed the reforms. Without the check of workers' democracy, the bureaucrats had a thousand and one ways of getting round perestroika.

In fact, the reforms, far from solving the problems of the bureaucracy, exacerbated and intensified them. Gorbachov was forced to balance between the different wings of the

bureaucratic elite to move along the "reform" road. On a number of occasions he threatened resignation if his reforms were blocked. This was intended as a warning to the more conservative layers of the bureaucracy. But the bureaucracy would never de-bureaucratise itself. On the contrary, they were trying to reinforce their privileged position.

As for "democracy", apart from some secondary concessions, nothing much had changed. The masses were well aware that everything was rigged from top to bottom. The introduction of more than one candidate in elections was an attempt to camouflage the existence of a

one-party totalitarian system. But all candidates either belonged to the Communist Party or else had to agree to the programme of the Party, which amounted to the same thing. Instead of proceeding from bottom to top, the system worked from top to bottom, like an inverted pyramid. Gorbachov leaned upon the growing discontent of the masses with the system, which was tolerated as long as there was no revolutionary pole of attraction in the West. But Gorbachov's deal with US imperialism had far reaching consequences at home. The "threat from without", which for decades had been used by the bureaucracy to paralyse any opposition on the part of the workers,

was undermined.

The impasse of the bureaucratic regime, manifested in the slow-down of the economy, had an effect on the psychology of all strata of Soviet society beginning with the bureaucracy itself. The ruling elite became conscious of the fact that it was no longer able to carry society forward. Increasingly it felt itself to be a brake on progress, and this malaise pervaded the whole of society. There was a constant ferment of discontent among the intellectuals. The youth, who were the standard bearers of the October Revolution, had been the most heroic fighters in the civil war, and had flung all their energies into the first

Five-Year Plans, were now completely disaffected. Discontent manifested itself by an epidemic of hooliganism and drunkenness, reflecting the despair of the most inert layers. The situation of the youth in the Soviet Union up to the recent period constituted an annihilating commentary on the role of Stalinism. After more than three generations, we saw all the signs of demoralisation: drunkenness, lumpenisation, thieving, hooliganism and antisocial behaviour of all kinds.

Of all the barbarous features of Tsarism, one of the most retrograde was the fact that half of the state budget was derived from the vodka monopoly. There is, of

course, a long history of hard drinking in Russia going back to a surprisingly remote period. In the Chronicle of Bygone Days, written in the twelfth century, Vladimir prince of Kiev, in rejecting Islam in favour of Christianity, is supposed to have said "drink is the joy of the Russian people". But the role of vodka in Russian life is all too often associated with phenomena that are far from joyful. The excessive consumption of hard alcohol is more a reflection of hopeless demoralisation. The Bolsheviki at first attempted to combat the consumption of vodka. But the state vodka monopoly was reintroduced under Stalin as a useful source of revenue, a measure which was openly in

contradiction with the assertion that "socialism" had been built in Russia.

The consumption of absolute alcohol quadrupled in the four decades after the second world war: one in seven of the population was classified as alcoholic; heavy drinking was starting in the schools; the numbers of babies born with mental and physical defects increased--which was drink related. In 1985 Izvestia reported that as many as 27 million workers had serious problems with alcohol. They were so drunk, or ill from drinking, that at least two days a week they did not show up for work. An investigation into 800 Moscow factories found that in the last hour of each shift,

only 10 per cent of workers were still at their job.

Gorbachov ordered a crack-down. In 1986, nine out of ten vodka shops in the capital were closed and alcohol consumption initially fell by 40 per cent. However, in the absence of a genuine regime of workers' democracy, even measures that in themselves might have been correct, had the opposite result to what was intended. The attempt to curb the consumption of alcohol actually did result in an improvement of health, but it proved a two-edged sword, leading to a collapse in the state's revenues. There was a 30 per cent drop in taxes in 1985. Nor did this measure totally remove the

scourge of alcoholism, an evil rooted in the conditions of a bureaucratic totalitarian regime, which provoked increasing frustration and alienation in broad layers of society. In these years the Soviet press was full of cases of people who had been made ill by consuming cologne. The number of arrests for illicit distilling doubled in 1987 compared with the year before, to reach 440,000. By 1988, the illicit stills were producing 40 to 50 per cent more spirits than the state plants. There were reports of pilots stealing alcohol-based fuel and antifreeze to use as drink. This was a clear indication of demoralisation and despair on a massive scale.

The weight of the repressive regime bore down hardest on the youth, who displayed an open cynicism and frustration at the totalitarian rule of the so-called Communist Party. The Soviet Weekly (8/11/90) published a poll which claimed that only 14 per cent of young people in the USSR trusted the CPSU. Having had a formalistic parody of Marxism-Leninism rammed down their throats at school, they reacted against it. Scandalously, the same poll concluded that only 15-20 per cent believed in socialism. The widespread scepticism and disillusionment among people was reflected in political jokes such as "have we reached real communism yet, or is there worse to

come?" Of course these young people had never had access to the real ideas of socialism and Marxism, only a lifeless and mind-numbing caricature. The only "socialism" they ever knew was a totalitarian monstrosity. Given the lack of any alternative, they tried to find a way out through escapism.

An article in the trade union paper Trud presented this phenomenon in an exasperated but semi-jockular tone. But the subject matter is too grim to provide much real humour:

"Hair lotion is particularly popular among Moscow alcoholics, but if this is not available, there is Kara Nova eau de

cologne, at 65 kopeks a bottle. Avoid at all costs a perfume known as Carmen which makes the customer feel as if his throat has been cut."

Gorbachov's measures in the end fooled no one. The universal scepticism was reflected in the following anecdote: A man walks into a shop and asks for a bottle of beer which the day before cost 50 kopeks. The shop assistant charges him one rouble.

--But it was only half that price yesterday.

--Yes, but you have to pay 100 per cent extra for glasnost.

The man reluctantly pays the rouble, and is astonished when he is given 50 kopeks change.

--But didn't you say it cost one rouble?

--That's right. The 50 kopeks is for glasnost. We don't have any beer.

A gigantic zero

The economic situation was in a mess. Even the niggardly target of 4 per cent had not been met. Since the launching of the new Five-Year Plan in 1986, growth had been about 2 per cent a year. The economist Abel Aganbegyan revealed that economic growth in 1989-90 was practically zero. But per capita income

actually declined. This was the death sentence of perestroika. Moreover, participation on world markets had not helped but made things worse. The bureaucracy imagined that participation on the world market would solve their problems. Foreign trade increased in a decade from 4 per cent to 9 per cent of Soviet GDP. For a while it did help them, particularly in the field of technology. But it also gave rise to new contradictions which the narrow-minded empiricists in Moscow had not foreseen. The USSR's debt to the West, which was only £9 billion in 1983, had now doubled to £18 billion. This was still quite small in proportion to the size of the Soviet economy, but gave an

alarming answer to the question "who shall prevail?"

The economic crisis made itself felt in a fall in living standards, queues and food shortages. Out of 1,000 basic goods, only four were consistently available in the shops. This was a result of bureaucratic chaos. There had been a record harvest, and plenty of grain and potatoes. But they did not reach the shops. Large amounts of goods were being held back in anticipation of price rises. One million tons of food were rotting in the ports. The trade union paper Trud gave example of shop shelves which should have been full of fresh fruit and vegetables, but which

only contained tins of Bulgarian apricots. This was in spite of increased agricultural production in 1984. Subsequently the situation got worse. According to the Soviet Weekly (8/11/90): "A staggering 70 million people--a quarter of the population are now living on the breadline."

An article in Pravda on the 18th October 1990 painted an alarming picture of social and economic disintegration: "The situation continues to worsen. Output is falling, economic supply links are being broken. Separatist tendencies are growing stronger. The consumer market is in a shambles. The budget deficit and the state's credit-worthiness

has reached critical levels. Antisocial behaviour and crime have grown. Life is becoming more difficult, incentives to work have weakened, faith in the future is collapsing. The economy is in a highly dangerous condition."

Shortages of food and other goods were endemic. The discontent of the population was fuelled by the realisation that these shortages were artificial--the result of bungling and sabotage. Vodka stolen from the shops was being sold on the black market at inflated prices. There were no cigarettes in the shops but plenty in the factories. Meat was left rotting in the warehouses. Demand was only satisfied by 66 per cent. The

moment goods appeared in the shops people bought them up to hoard, thus adding to the shortages. The official press admitted that "over the past four years 13,000 separate items have disappeared from the shelves". (Soviet Weekly, 1/11/90.)

The anti-alcohol policy broke down and once again there were long queues for vodka. On the 22nd August 1990, the accumulated anger and frustration boiled over. There was a riot in Chelyabinsk provoked by the breakdown of alcohol supplies. When the militia arrived the crowd attacked them and forced them to withdraw:

"The militia then closed shields in the ancient Roman testudo-fashion. but even that hand-made fortress could not resist the onslaught of the furious mob.

Surrounding the militia on all sides, the hooligans rained cobblestones at the troops from close range." (Ibid.)

The situation in Cheyabinsk was made worse by the scandal that subsequently emerged, involving the local Communist Party--"Public catering inspectors uncovered a secret warehouse full of delicacies at the Communist Party headquarters". The same article admitted that: "The social and political situation at the time of the vodka riot was typical of that existing in several Soviet cities

today." In other words, the temper of the masses was reaching breaking point, and that any incident could provoke an explosion. It also showed that the masses were beginning to lose their fear of the repressive forces of the state. But in the absence of a serious alternative, a revolutionary party and a programme, the discontent of the masses found no effective outlet.

Faced with the blind alley of the regime, a growing section of the bureaucracy looked for a way out to the West, which was still passing through a temporary and artificial boom. The representatives of the bureaucratic elite had occasion to rub shoulders with millionaires,

diplomats and presidents on their ever more frequent visits to the West. They contrasted this glittering spectacle with the picture of impasse and stagnation they had left behind, and the comparison did not appear very flattering. In this way, gradually the idea of the West as a model began to take firm root in a section of the bureaucracy.

This showed the complete ideological bankruptcy of the leaders of the Soviet Union and the CPSU. Shallow impressionists like Gorbachov and Shevardnadze were taken in. Like all bureaucrats, they had picked up bits and pieces of the garbled nonsense which passed for Marxism-Leninism in the

USSR in their student days. But real Marxism was for them a closed book. Their complete lack of a class standpoint was shown by Gorbachov's typically philistine remarks that the capitalists were "also human beings". In other words, one could converse with the Western leaders "man to man", and iron out one's differences round the fireplace, as if it was all a question of "personal chemistry" and not the irreconcilable differences between two incompatible social systems!

They were not the only ones who had jumped ship. The Bulgarian "Communist" leader Todor Zhivkov admitted in 1990 that he had believed

for a long time that socialism was dead and impractical. Jaruzelski, the author of the Stalinist coup, now said that it was all a terrible mistake and apologised to the Polish people! He too suddenly realised that "capitalism was the only way". Such apostasy was only a logical step for these people. After all, they had broken with socialism in practice a long time before. This had been predicted by Trotsky half a century before, when he wrote that the bureaucracy would not be satisfied with their usurped power and privilege, but would seek to secure their position, and that of their children, by transforming themselves into private capitalists.

At first, Gorbachov attempted to resist the radicals' demands for a quick movement towards capitalism. Ryzhkov had a similar position, in favour of maintaining the basic core of the economy in state hands but with elements of a market. Gorbachov continually vacillated between the opposing wings of the bureaucracy. In the meantime, the generals were getting increasingly restless about the Union treaty, and the threat to the USSR. Finally, towards the end of 1990, Gorbachov published the outlines of his plan. This was a hopeless mish-mash of good intentions and contradictory ideas.

The stabilisation of the currency was to

be achieved by a hard currency fund to finance foreign trade. There would be denationalisation, but only of small businesses, and only by degree; price flexibilisation; decentralisation (but maintaining the USSR); and, of course, deregulation of wages. Last but not least, a balanced budget of less than 3 per cent of GDP (this is what the Maastricht conditions stipulate for the EU states, who are finding it all but impossible to meet) through stringent credit controls. His conclusion was typically optimistic - "A balanced economy should emerge, with a market saturated with consumer goods and services". But it was the optimism of a man walking off the edge of a cliff.

Gorbachov continued to pay lip service to "socialism" and "communism", but his entire conduct indicated that he did not believe a word of it. This was shown by one interview which he gave on British television when he repeated the absurd myth that all would have been well in Russia, if only the February Revolution had succeeded! This shows his complete lack of understanding of either the February or the October Revolution. We have dealt with this question elsewhere, so it is not necessary to expand on it. But what a condemnation when 70 years after October, the general secretary of the CPSU could repeat such arrant nonsense.

While publicly lionising Gorbachov, Reagan and the other Western leaders must have had a good laugh behind his back. The cold, calculating American politicians and diplomats must have rubbed their eyes in disbelief! This accidental petty bourgeois element was rapidly drawn into the logic of capitulation by these nice human beings, who were intent on throttling the Soviet Union, and bringing it to its knees. To this day, Gorbachov continues to harbour illusions in "Western democracy", or, to be more accurate, in "democracy as such", typical of a middle class reformist who imagines he can reconcile antagonistic class interests. And as with the latter, the appearance of "practical

realism" is only a fig-leaf to cover the most pathetic impotence.

In all probability, Gorbachov did not want the restoration of capitalism in Russia, yet he prepared the ground for it, and was duly thrown to one side by the faction of the nascent bourgeoisie, led by his protégé Yeltsin, once he got into the saddle. Nevertheless, he is quite prepared to accept the fait accompli of the so-called reform, while impotently whimpering about its ghastly consequences. In this respect also he is a faithful copy of the Social Democratic leaders in the West who are ready to embrace capitalism, but do not like the things which inevitably flow from it.

Yeltsin's demagoguery

We had predicted from the beginning that Gorbachov's reforms could have a temporary effect for a few years, before running out of steam. It was clear to us that Gorbachov would either do a U-turn back to centralisation and repression, or he might even be removed, as happened with Khrushchev. The fundamental flaw in Gorbachov's reforms was that economic advance was to be achieved, as in the West, mainly at the expense of the working class, through speed-ups, productivity deals, cuts in subsidies and even factory closures. The abysmal mess in which Soviet political economy found itself was shown by the irony that

Gorbachov's economic advisers tried to ape the Western witch-doctors advocating the introduction of elements of market economy at the very moment when the system on a world scale was beginning to break down. Lacking any Marxist understanding, they were impressed by the temporary boom of 1982-90, which, by an accident of history, coincided with the crisis in the USSR.

At this time, there was a section of the bureaucracy which hankered after a return to the "good old days", of capitalism. Disillusioned by the impasse of Stalinism, they were increasingly impressed by the economic boom in the

West. At this point, bureaucratic chaos and sabotage had brought about a situation where, according to the official economists, 13 per cent of Soviet factories actually ran at a loss. The reply of elements like the economist Abel Aganbegyan, echoing the Thatcherite monetarists in the West, was to allow thousands of factories to go to the wall! The same people argued that subsidies on food and rent were too costly and should be removed, allowing prices to find their own level. A few years later this advice was carried into practice with devastating results for the Russian people. But, for the time being, Gorbachov was not prepared to go down that road, fearing the reaction of the

masses.

Boris Yeltsin, an ambitious apparatchik from Sverdlovsk, tried to make a name for himself as the most outspoken advocate of perestroika. A natural demagogue, with a flair for theatrical gestures, Yeltsin made a point of travelling on public transport and visiting markets. He even took the metro to the Kremlin, dispensing with the services of his official chauffeur and limousine, and protested loudly against bureaucratic privileges. This undoubtedly, at that time, gave him a certain popularity in Moscow, where his demagogic attacks on corruption got a big echo.

Such was the damage done by the suffocating bureaucratic control that, without wholesale corruption and black marketeering (or blat as the Russians call it), the economy would have ground to a halt earlier. This was well-known to the workers, and openly admitted by Gorbachov who stated shortly after becoming leader: "Try to get your flat repaired--you will definitely have to find a moonlighter to do it for you, and he will have to steal the materials from a building site." (Financial Times, 2/7/86.)

Even in Moscow, it was impossible to get such elementary services as plumbing done without recourse to blat.

The same is true of other cities and regions, as was indicated by Yeltsin's speech to the 1986 Party Congress. "He [Yeltsin] asked why the CC secretariat at the centre of power in the Soviet Union had done nothing about widespread corruption in Uzbekistan and Kirgizia. (Two Central Asian Republics where the entire Party leadership was removed.) 'Why?' asked Mr Yeltsin, 'were the same problems brought up over five years at Party congresses? Why after so many years have we not succeeded in tearing out of our life the roots of bureaucracy, social injustice and abuses?'É Mr Yeltsin said Moscow, a city of eight million people, had a stagnant economy and inadequate public transport,

shopping centres and health care. He blamed this squarely on the city's previous leaders." (Financial Times, 28/2/86.)

In another aside to the Congress, Yeltsin said: "For a number of years the whole retail sector has lived through a period of corruption and we are eating the fruits of that today. If we cannot solve the problem of personnel, if we cannot get rid of the dishonest people, and clean up the whole sector we will have shortages, there will be regular artificial deficits." (The Guardian, 29/1/86.)

Yeltsin sacked no less than 40 per cent of the Moscow local Party workers, but

that did not suffice to solve the chaotic situation he described at the Congress, nor did it prevent a large number of those sacked for bribe-taking from being surreptitiously readmitted with other jobs in no time at all. At the same time Yeltsin's campaign actually worsened the economic situation in Moscow because corruption and black marketeering were the oil which kept the bureaucratically-run economy working. Even the supply of raw materials to the factories often depended upon black market wheeling and dealing to get round the obstacles of the bureaucratic system.

This experience proved once again that

the brick wall which the anti-corruption drive ran into could only be smashed by the complete dismantling of the bureaucratic state and the creation of a workers democracy. That meant a political revolution. And rather than contemplate such a thing, Yeltsin and his cronies preferred to move towards capitalism. However, Yeltsin's "populist" measures offended the conservative section of the bureaucracy who feared that glasnost was getting out of hand. The sacking of Yeltsin was a clear indication that the Gorbachov reforms were running into difficulties.

Yeltsin demagogically pretended to stand for equality as a means of boosting

his popularity. But what happened afterwards? At the present time this gentleman and his friends have looted the Russian state. Under the reign of this "egalitarian", seven fabulously wealthy gangsters own and control half the country, while tens of millions of Russians live in poverty and wages are not paid for months on end. Some equality! In fact, the inequality in present-day Russia is greater, not only than before, but it is far greater than the developed capitalist countries. It is much more similar to the state of affairs that existed in the "crony capitalist" regime of Marcos in the Philippines than in the genteel capitalist regimes of Western Europe, America or Japan. This

fact is not lost on the working class, which is drawing its own conclusions. And let no one forget how the Marcos regime ended up.

Illusions in Gorbachov

It was incredible how many on the Left were taken in by Gorbachov. Not just the right and left reformists, but even some self-styled "Trotskyists" fell over themselves in their haste to pay tribute to this "great reformer and statesman".

These people were incapable of differentiating between shadow and substance. In reality, Gorbachov stood for the interests of the ruling caste. True, his image was different from that of the

old Stalinist leaders. But the difference was more of style than content.

Gorbachov was an articulate, educated and well-travelled bureaucrat, quite unlike the coarse, narrow and ignorant upstarts of Stalin's day. He realised the impasse in which the bureaucratic system found itself. Without the participation and enthusiasm of the masses, nothing can be done. Even under capitalism that is the case. Most big factories would grind to a halt if the workers did not apply their intelligence and initiative, sometimes bending the rules to keep the machinery running. Hundreds of millions of pounds are made out of the "suggestions boxes" in

Britain every year. That shows the enormous potential for a system based on workers' control and management which would give full reign to the workers' creativity, intelligence and initiative.

There were many who nurtured illusions that the Russian bureaucracy could reform itself. One such was Roy Medvedev, a capable historian who, although he displayed great personal courage in standing up to the regime, failed to develop a really consistent Marxist analysis, and fell into a trap. Roy Medvedev represented a "left" wing of the bureaucracy. He wanted the regime to reform itself in a strictly legal

and constitutional fashion. "As for ways and means of political struggle they must be absolutely legal and constitutional," says Medvedev, "there are certain extreme groups that believe in the use of illegal methods including for example the organisation of underground printing presses." (Medvedev, *On Socialist Democracy*, p. 314.)

He then quotes one of his opponents who evidently had a correct appraisal of the bureaucracy: "You believe that the leadership would support a certain degree of democratisation, but this would amount to the leadership liquidating itself and the whole of political history confirms the unreality of

such an expectation. No government withdraws of its own free will. Your ideas are harmful as they create illusions about the ease with which your proposed programme of reforms might be realised. You suggest that because of a change in social and political conditions, fresh forces will become part of the 'apparat' and transform its bureaucratic style. But this only encourages the false idea of an automatic and spontaneous process--in reality these fresh forces will undoubtedly encounter fierce resistance." (Ibid., p. 313.) Again Medvedev gives the game away again by saying: "Overhasty reform can also cause problems with the Socialist bloc (as the experience of Czechoslovakia

has shown.)" (Ibid., p. 314.) Clearly, any movement of the working class to throw off the yoke of the bureaucracy would "cause problems". But to imagine that the ruling caste would give up without a fight was just wishful thinking.

Another example was Isaac Deutscher. His name is frequently linked to Trotsky's on the strength of his three-volume biography of the great revolutionary. But politically, the two could not be further apart. In fact, in his political biography of Stalin, Deutscher attempts to glorify Stalin's role. Rather than being portrayed as the leader of the counter-revolutionary bureaucracy, he is built up as some kind of great

misunderstood revolutionary:

"Stalin has been both the leader and exploiter of a tragic, self-contradictory but creative revolution. Like Cromwell he embodies the continuity of the revolution through all its phases and metamorphoses, although his role was less prominent in the first phase. Like Robespierre he has bled white his own party; and like Napoleon he has built his half-conservative and half-revolutionary empire and carried revolution beyond the frontiers of his country. But in order to save it ('the better parts of Stalin's work') for the future and to give it its full value, history may yet have to cleanse and reshape Stalin's work as sternly as it

once cleansed and reshaped the work of the English revolution after Cromwell and of the French after Napoleon." (I. Deutscher, *Stalin: a political biography*, pp. 569-70.)

Deutscher never understood Trotsky or his great contribution to Marxism--his analysis of Stalinism. What is correct in Deutscher's trilogy on Trotsky he borrowed from Trotsky, but his attempts at theorising are of no value whatsoever. He dismisses Trotsky's "fiasco with the Fourth International" and "his fumbblings about reform and revolution in the USSR" as mere flights of fancy. (Ibid., p. 513.) In reality, without an understanding of Trotsky's ideas on Stalinism, it is

impossible to grasp what is taking place in the former Soviet Union today. Far from being mere "fumblings", his ideas have been entirely borne out by events. The same cannot be said of Isaac Deutscher's own prognosis.

After Stalin's death, Deutscher hailed the so-called de-Stalinisation of Khrushchev as a great step forward. Here is Deutscher's conclusion in his third volume of his biography of Trotsky:

"It is clear that even under Stalinism Soviet society was achieving immense progress in many fields, and that the progress, inseparable from its nationalised and planned economy, was

disrupting and eroding Stalinism from inside. In Trotsky's time it was too early to try to draw a balance of this development--his attempts to do so were not faultless; and the balance is not yet quite clear, even a quarter of a century later. But it is evident that Soviet society has been striving, not without success, to rid itself of the heavy liabilities, and to develop the great assets, it has inherited from the Stalin era. There has been far less poverty in the Soviet Union, far less inequality and far less oppression in the early 1960s than in the 1930s or the early 1950s. The contrast is so striking that it is an anachronism to speak of the 'new totalitarian slavery established by the bureaucratic collectivism'É It is still

a matter of argument whether the Soviet bureaucracy is 'a new class' and whether reform or revolution is needed to bring its arbitrary rule to an end. What is beyond question is that the reforms of the first post-Stalin decade, however inadequate and self-contradictory, have greatly mitigated and limited bureaucratic despotism and that fresh currents of popular aspirations are working to transform Soviet society further and more radically." (Deutscher, *The Prophet Outcast*, pp. 511-2.)

All along, Deutscher had the illusion that the bureaucracy could "de-bureaucratise itself", and introduce socialism. This was fundamentally false. No ruling class

or caste in history has given away its power and privileges without a struggle. Trotsky was a thousand times more correct when he predicted that the bureaucracy would turn to capitalism as a means of reinforcing its privileges, rather than hand power to the working class. This was even more the case in the context of the temporary economic boom in the West which coincided with Gorbachov's reforms.

Deutscher's central thesis was entirely formalistic and unmarxist in character. If the bureaucracy arose out of Russian backwardness, he reasoned, then as society advanced to a higher economic and cultural level, it ought to disappear

painlessly of its own accord. This overlooks the basic class contradictions in society. In any class society, once the state arises, it acquires a momentum and a life of its own. The whole of history demonstrates precisely the opposite of Deutscher's thesis. At a critical moment, when the productive forces have outgrown the existing property relations, the ruling class and its state by no means reconcile themselves to the logic of historical progress. They fight to maintain their power and privileges, even when these are in flagrant contradiction to the demands of progress. The capitalist system has long been a brake upon the development of the productive forces, which does not at

all mean that the capitalist class will voluntary surrender to the proletariat!

The development of the productive forces does not automatically determine the nature of the state. If that was so, revolution would be unnecessary, and not just in Russia. The whole of human history would be a smooth, gradual evolution in the direction of progress-- something that every schoolboy knows is not the case. The inevitability of revolution arises precisely from the fact that no ruling class or caste ever surrenders in this way. The Russian bureaucracy is no exception, particularly after Stalin had exterminated the representatives of October. The way in

which the bureaucracy established its power--wading through a sea of blood in the Purges--was an indication that this ruling caste would stop at nothing to maintain itself in power. As Trotsky put it: "No devil ever yet voluntarily cut off his own claws. The Soviet bureaucracy will not give up its positions without a fight. The development leads obviously to the road of revolution." (Trotsky, *The Revolution Betrayed*, p. 287.)

Deutscher's entire line of argument was entirely in the tradition of Menshevism. It reflects the same logic as reformism, which seeks to show that revolution in general is an unnecessary inconvenience. His brand of "realism" was, in effect a

crude empiricism with no understanding of history whatever. It is the same kind of mentality which leads the Social Democratic leaders in the West to abandon socialism and finally go over to the market economy, that is, from reforms to counter-reforms. Thus, this alleged realism turns out to be the worst kind of utopia.

Deutscher's vision of a self-reforming bureaucracy provided a comforting hope for the radical "Friends" of the Soviet Union, the dream of a painless transition to socialism. In reality, this was impossible without a mass movement of the working class. Success or failure depended not on the wishes and good

will of the bureaucracy, but exclusively on the willingness of the working class to fight for their emancipation. The experience of Hungary shows how a mass revolutionary movement of the working class could split the bureaucracy and win over large numbers to the side of the political revolution. By contrast, the so-called reforms of Gorbachov, which aimed to prevent a revolution from below and preserve the rule of the bureaucracy, merely prepared the ground for the going over of a big section of the bureaucracy to capitalism, rather than accept the abolition of their privileges. Nowadays, Deutscher's theories do not even have an historical interest. In all fairness, it is necessary to

add that Isaac Deutscher's widow, Tamara Deutscher, in a BBC television programme shortly before she died had the courage to admit publicly that Trotsky had been correct all along on this question.

Looking back on this period, it was incredible how anyone with the most elementary knowledge of Russian history, let alone Marxism, could have entertained the slightest illusion in Gorbachov and his policies. Yet we had so-called Marxists praising Gorbachov, and even travelling to Moscow to witness the strange spectacle of the bureaucracy "abolishing it self"! Of course, the advocates of the theory of

state capitalism, were unimpressed, since, as far as they were concerned, capitalism already existed in Russia. What was all the fuss about?

When every other tendency was praising Gorbachov as the great Saviour, we alone pointed out that his reforms were bound to fail, and characterised him as an accidental petty bourgeois figure, doomed to be swept away, al though we thought that this would come as a result of political revolution, and not a movement in the direction of capitalism which, at that stage, we erroneously considered to be ruled out. The only way to solve the problem was to reintroduce a Leninist regime of workers' control

and management, which would easily have been possible on the basis of a developed economy that now existed in Russia. But that was the last thing Gorbachov had in mind! Instead of improving things, Gorbachov's reforms introduced a further element of destabilisation, hastening the dissolution of the system. Only two alternatives were possible. In the absence of a movement of the working class in the direction of a political revolution, the balance tilted sharply in the direction of a move towards capitalism.

* An untranslatable Russian word, originally derived from thieves' slang, in Soviet parlance it signified the use of

personal connections to obtain illicit gains. ([back to text](#))

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Russia:

**from Revolution to
counterrevolution**

Part Eight:

From foreign policy to the national question

Arms expenditure

There was a remarkable symmetry between the crisis of world capitalism and Stalinism. Both the rule of the bureaucracy and the rule of the monopolies succumbed to arteriosclerosis. In both systems we saw the proliferation of waste, chaos, and

anarchy which held back the free development of the productive forces. Both sides pointed to the faults in each others systems. But neither was capable of playing a progressive role in developing society. In the West, the productive forces had grown beyond the limits of private ownership and the nation states. In the East, in the countries of proletarian Bonapartism, there was a crisis of bureaucratic control and planning. In addition, there was the aggravated crisis of imperialist exploitation of the impoverished countries of the third world. War and poverty are an inevitable accompaniment of the contradictions of the capitalist system.

The early Soviet state spent little on arms. The main strength of the Soviet Republic was in its internationalist policy, and the support of the workers of the world, which destroyed the attempts to intervene militarily against the Bolsheviks in 1918-21. Whilst paying attention to the material requirements of the defence of the workers' state, Lenin and Trotsky nevertheless insisted that the main priority was the improvement of the living standards and well-being of the mass of the population. In the last analysis, that was the real guarantee of the security of the workers' state, in conjunction with the support of the international working class.

All this changed with the victory of Stalinist reaction. Limited and obtuse in its outlook, the bureaucracy looked to a massive programme of arms expenditure as a means of competing with imperialism on the world arena. It relied exclusively on diplomatic manoeuvres and military might. For the whole period of the cold war, military expenditure imposed a huge burden on the Soviet Union. Given the intensification of the arms race between Russia and the West, and the criminal conflict between the two rival bureaucracies in Moscow and Beijing, expenditure on arms rapidly rose, devouring an ever increasing proportion of the wealth produced by the Soviet working class.

This resulted in the formation of a powerful military-industrial complex in the USSR, with its own interests. A staggering 60 per cent of industrial output was earmarked, directly or indirectly, for the military sector, a monstrous incubus on the Soviet economy. As in the USA, the Soviet equivalent of the military-industrial complex spent colossal amounts of money in maintaining the vested interests and prestige of the military wing of the bureaucracy.

If this expenditure--both East and West--had been used for productive purposes, it could undoubtedly have solved all the economic and social problems of the

terribly impoverished underdeveloped countries, the capitalist countries and the Soviet Union itself. But to imagine that this antagonism could be resolved through mutual "good will" was to hark back to the ideas of the utopian socialists who believed that capitalists could be convinced by appealing to their "good will" to adopt socialism. Foreign policy, as with home policy, reflected the vested interests of the imperialists on the one hand and the Stalinist bureaucracy on the other.

In 1961 alone there was a sharp 30 per cent increase in the military expenditure of the USSR. Fearful about the increase of American strategic weapons under the

Kennedy Administration, the Soviet production of intercontinental ballistic missiles was stepped up from 50 to 200 a year by the mid-1960s. More missile-carrying submarines were commissioned. The surface fleet began preparing to compete with US forces on the oceans. Increasingly, with the intensification of the cold war, the arms race absorbed a massive amount of precious resources, and constituted a serious drain on the economy.

In Europe, the USSR had always had conventional military superiority, in numbers of men under arms and tanks. The production and development of nuclear weapons were seen as a means

over overcoming this imbalance by the West. Although the estimates of military expenditure vary enormously by both the USA and the USSR, the figures for 1980 indicate a colossal burden on the economy. The Soviet figure for military expenditure was Rbs17 billion, or about \$26 billion; the US figure for Soviet spending was \$185 billion. The USSR figure is far too low, but the US estimate is also inflated. According to the Stockholm International Peace Research Institute, a more reliable independent source of information, for the year 1980, the USSR spent \$107 billion, while the USA spent \$111 billion on arms.

For the defence of the USSR, Lenin and

Trotsky relied mainly on revolutionary propaganda and an internationalist appeal to the world working class. Now the bureaucracy could not do that, because a revolutionary movement of the workers in the West would threaten the very basis of their rule. In any case, the hideous totalitarian one-party regime, with a sluggish economy bogged down by bureaucracy, had no particular appeal to the workers of the advanced capitalist countries--although the same was not true of the masses in the third world.

As time went on, defence expenditure became a crushing burden on the economics of the West as well as on the Soviet Union and its satellites.

Nevertheless, the imperialist powers were not prepared to cut down the production of armaments too much through any agreement with the Soviet Union. A massive cut would have affected the military-industrial complex in the NATO countries. It would have reduced a vital market for those capitalist enterprises, which were paid to produce scrap metal by developing new weapons as old ones became obsolete. Under capitalism, any substantial cutback would seriously aggravate any developing economic crisis. Under Stalinism, it would transgress the interests and prestige of the military bureaucracy.

Nevertheless, their growing contradictions forced the imperialist powers to seek a "compromise". All the imperialist powers felt the burden of arms expenditure and would have liked to cut the arms bill to some extent. In the Soviet Union, particularly during the Brezhnev era, investment on defence was up to 15 per cent of GNP, reducing spending on other sectors and slowing down growth. The attempt to reach détente with US imperialism through the SALT and other agreements was intended partly to cut down on wasteful military expenditure, partly a vain attempt to achieve global stability. Despite the underlying contradiction between two incompatible socio-

economic systems, the two sides, dialectically, recognised that they needed each other. In reality, they leaned upon each other. The capitalists attempted to justify their system by pointing an accusing finger at the dictatorial regimes in the East, while the bureaucracy attempted to justify its privileged caste rule by pointing to Vietnam, unemployment and racism in the West.

Neither side had any interest in taking any serious action against the other. They tacitly recognised each other's spheres of influence. Increasingly, they traded with each other. But that did not alter the real relationship between them. They

still hated and feared each other. The fundamental antagonism between the capitalist world and the nationalised property forms of the deformed workers' states had not been removed. And despite all the efforts to arrive at a modus vivendi and freeze world relations, the situation remained tense and uneasy. At any moment, the whole set up could be upset by explosions in one part of the world or another, bringing the underlying antagonisms to the fore.

President Carter's National Security Adviser Zbigniew Brzezinski stated in an astonishing interview in the New Yorker, which was reminiscent of the

mad nuclear scientist film Doctor Strangelove: "It's inaccurate thinking to say that the use of nuclear weapons would be the end of the human race. That's an egocentric thought. Of course it's horrendous to contemplate, but in strictly statistical terms, if the United States used all of its arsenal in the Soviet Union and the Soviet Union used all of its against the United States it would not be the end of humanity. That's egocentric. There are other people on the earth." (Quoted by F. Halliday in *The Making of the Second Cold War*, p. 232.)

Even in the Reagan Administration, discussions took place within the military and government concerning the

US capacity to destroy the USSR in the event of nuclear war. According to Colin Gray and Keith Payne, who later became US government employees, "Washington should identify war aims that in the last resort would contemplate the destruction of Soviet political authority and the emergence of postwar world order with compatible Western valuesÉ The USSR, with its gross overcentralisation of authority, epitomised by its vast bureaucracy in Moscow, should be highly vulnerable to such an attack". (Ibid., p. 52.) These authors were later employed by the US government and their views became increasingly influential in the US defence establishment.

Of course, these opinions were not representative of the decisive sections of the ruling class, who understood that nuclear war is not a realistic option. Despite the widespread fears of a holocaust, there was no danger of a world war because under modern conditions a nuclear war between the superpowers would inevitably result in Mutually Assured Destruction (MAD). The capitalist class does not wage war for the sake of amusement, but to conquer foreign markets, raw materials and spheres of influence. A nuclear war would have led to mutual destruction and the end of the planet, which is precisely why it did not take place.

Recognising that developing the productive forces is the key to the stability of any society, Gorbachov aimed to reduce arms expenditure, in order to produce more consumer goods and boost the living standards of the increasingly restive Soviet people. That is why Gorbachov was prepared to concede more in negotiations with imperialism than he was offered in return. Another reason for the temporary détente between imperialism and the Stalinist bureaucracies in the 1980s was the dangerous social consequences of the super-exploitation of the ex-colonial countries.

The debt of the colonial countries to

imperialism had reached \$1300 billion. Rising interest rates and the widening gap between the relatively low price of raw materials and foodstuffs, the dominant form of production for the under-developed economies, and the relatively high price of the capital goods and industrial products, which are produced in the metropolitan countries, intensified the exploitation of the labour of the masses of the third world. This remorseless exploitation pushed them down into levels of poverty which were greater than at any time in the last 50 years. This was a formula for explosions and revolutions.

'Peaceful coexistence'

World history, since 1914 has been the history of attempts to arrive at agreements and compromises which end in further explosions. The temporary agreement between the so-called democratic powers and the Soviet Union during the course of the war against Hitler did not last long after the collapse of the Nazi regime and of Japan.

Towards the end of the war there had been an agreement between the Allied powers for the Soviet Union to enter the war against Japan. But the imperialist powers changed that policy. The Japanese were ready to surrender but President Truman still ordered the dropping of two atom bombs on Hiroshima and Nagasaki. The bombs

were a warning to the Soviet Union of what could happen to it, if it did not do what US imperialism wanted. However, Stalin realised that the troops of imperialism were war weary, and were demanding to be sent home as soon as the war was over. Russian troops invaded Manchuria and defeated the Japanese army in just ten days. So the bombs failed in their purpose.

Very rapidly international relations entered the period of the cold war. This in its turn led to the arms race, dwarfing even the massive rearmament programme of Hitler between 1933-39. But the arms race cancelled itself out. One superpower's attempt to gain an

advantage in one sphere or another was immediately counteracted by the other. The cold war was followed by a period of relative détente but this was of a very shaky character. The arms race also served the purpose, for the West and the Soviet Union, of diverting the mass of people to look for an enemy outside the borders of their own country. Thus American imperialism endeavoured to put all the blame for the explosions in the third world on to the shoulders of the Soviet Union and the Soviet bureaucracy. On the other hand, the Soviet bureaucracy, portrayed itself (with more justification) as a beleaguered fortress threatened by imperialism.

"Peaceful coexistence" of different economic and social systems was Stalin's, not Lenin's idea. "We are living not merely in a state, but in a system of states," Lenin said at the Eighth Party Congress in July 1919, "and it is inconceivable that the Soviet republic should continue to exist for a long period side by side with imperialist states. Ultimately one or the other must conquer. Until this end occurs a number of terrible clashes between the Soviet republic and bourgeois states is inevitable." (Quoted by E.H. Carr, *The Bolshevik Revolution*, Vol. 3, p. 123.) Again, only a year later, after the defeat of the foreign armies of intervention into the Soviet Union, Lenin said: "We have

passed from war to peace but we have not forgotten that war will come again. So long as both capitalism and socialism remain we cannot live in peace. Either one or the other, in the long run, will conquer. There will be a funeral chant either for the Soviet Republic or for world capitalism. This is a moratorium in a war."

Two years later, Lenin summarised the relations between the new Soviet state and the imperialists: "We have got a certain equilibrium, although extremely fragile, extremely unstable. Nevertheless, such an equilibrium can exist--of course not for long--in a capitalist environment." Before the

Eighth Congress of Soviets, Lenin repeated this idea: "We cannot for a moment believe in lasting trade relations with the imperialist powers: the respite will be temporary. The experience of the history of revolutions and great conflicts teaches us that wars, a series of wars, are inevitable. The existence of a Soviet Republic alongside of capitalist countries--a Soviet Republic surrounded by capitalist countries--is so intolerable to the capitalists that they will seize any opportunity to resume the war." (LCW, Vol. 31, p. 472.) And Lenin's prediction was proved right when "peaceful coexistence" ended in the nightmare of the second world war.

It is true that for relatively short periods "peaceful coexistence" was maintained. But inevitably the contradictions between two conflicting social systems generated irreconcilable antagonisms. That explains the euphoria of the imperialists at the collapse of Stalinism and their support for capitalist counter-revolution in Russia and Eastern Europe. Periodic diplomatic crises and accords between imperialism and Stalinism went on throughout the postwar period. In 1955, Soviet bureaucrats and Western imperialists met at Geneva for the first time since Potsdam in 1945. Negotiations were again resumed when Khrushchev visited the USA in 1959. The Cuban Missile Crisis of 1961 led to

a round of negotiations that led to the Nuclear Test Ban Treaty the following year. In 1969, with the advent of the Nixon administration, relations lead to détente and a series of arms reduction talks and agreements. With the Russian invasion of Afghanistan to prop up the pro-Moscow regime in Kabul, and the election of Ronald Reagan as US president, diplomatic relations between the superpowers began to deteriorate, leading to what some have called the "second cold war".

The negotiations between Russia and the United States and its allies, including the Reagan-Gorbachov summit, were supposed to guarantee "world peace".

These summits attempted to breed illusions that world peace and international harmony ("peaceful coexistence") could be achieved through "good will" between the imperialists and the Stalinist bureaucracies. This was fundamentally false. It was the boom in the capitalist countries in the 1980s, coupled with the contradictions within imperialism and the crisis in the Stalinist states, which led to a temporary desire by the superpowers to arrive at a mutual agreement. But the underlying reality was of two fundamentally opposed social systems which could not tolerate indefinitely the existence of the other. Their basic antagonism could be softened only temporarily.

In the 1980s, Gorbachov was desperate to arrive at some sort of an agreement with world imperialism. In an attempt to get an agreement with the capitalist powers, the Soviet leadership openly renounced the strategy of revolution and denied the relevance of class struggle. This was really only putting a stamp on what had been the position for a long time before. Erich Honnecker, the ex-East German Stalinist leader, without blinking an eyelid, wrote in the British Morning Star that: "Human beings include people from different, even antagonistic classes in society. They extend from the working class to circles of monopoly capital itself. We are far from reducing international relations to a

class struggle stereotype."

Similarly, at the time of Gorbachov's visit to Britain the Morning Star (5/4/1988) was happy to state that:

"New thinking suggests that there are universal human values--peace, security and justice; values that are common to all of us irrespective of our nationality, religion, ideology or class; values that transcend all such differences."

These sentiments were utopianism of the worst character. Gorbachov claimed to have broken with Stalin, on whom he blamed all the crimes of the bureaucracy in the past. However, he had adopted the fundamental ideas of Stalinism, of a

society in the Soviet Union which is divided between the bureaucracy, on the one hand, and the working class on the other. He accepted Stalin's nonsense that "peaceful coexistence" between the capitalist states and the Soviet Union, a deformed workers' state, could continue indefinitely. However, the attempt to freeze world relations into fixed blocs inevitably broke down, creating a new and convulsive period in world history. Unexpectedly for the Stalinists and imperialists alike, the bureaucratic regimes of Eastern Europe began to unravel and entered into crisis.

Crisis in Eastern Europe

The crisis of Stalinism affected Eastern Europe in a particularly sharp way, because here the impasse of the bureaucratic regime was aggravated by the sense of national oppression. The marvellous revolutionary traditions of the Polish working class were shown again and again--in 1956 and 1970, 1976 and 1980. Above all in 1980-81, the courageous Polish proletariat came close to overthrowing the bureaucratic regime. The powerful Solidarity movement, numbering 10 million, could have taken power. Tragically, this revolutionary movement in Poland was betrayed by the leadership of Solidarity, dominated by Lech Walesa, the reformist advisers and Catholic intellectuals. This

layer sought a compromise with the ruling bureaucracy which was terrified by the movement of the working class, groping in the direction of political revolution. This attempt to reach an accommodation with the Stalinist regime led to the defeat of the movement and the coming to power of General Jaruzelski. Solidarity was banned in 1982. The impasse of the regime and the increase in strikes, however, led Jaruzelski to seek to embroil the reformist leaders of Solidarity. Finally, the CP leaders handed Poland over to the nascent capitalists, with the peculiarity that the old nomenklatura ended up with the lion's share of the privatised firms.

Increasingly, the regime rested upon Walesa, drawing his supporters into its orbit, and using them to hold back the workers. Round-table talks were first mooted in August 1988 and opened in February 1989 with the aim of reaching agreement on economic stabilisation and political reform. If agreement was reached, stated the interior minister Lieutenant-General Kiszczak, who expected "compromise and loyal co-operation", then Solidarity would be legalised. During the negotiations, Walesa called for a moratorium on strikes, and was keen to collaborate with the reformist wing of the bureaucracy. Agreement was reached in April over an austerity programme and the move

towards a market economy.

The collapse of the old Stalinist regime resulted from intense internal contradictions. The electoral victory of Solidarity in 1989, represented the victory of a bourgeois government which moved in the direction of capitalist restoration in Poland. The election of Walesa as president was a further move in that direction. Solidarity won a sweeping victory in the 35 per cent of the seats in the Sejm (lower house) they were allowed to contest in July 1989. In the Senate, they won 99 of the 100 seats. 33 members of the government contesting the election on a national list of 35 unopposed candidates failed to

win the necessary 50 per cent in the first round and were disqualified. Solidarity was invited by Jaruzelski to join a coalition government. Walesa told Jaruzelski that Solidarity would accept him as president. He urged the Polish United Workers' Party (PUWP) to carry through further "reform".

Once in government, the Solidarity leadership turned its back on the working class. In the time-honoured tradition, the ex-dissident and one-time supporter of the theory of state capitalism Jacek Kuron was appointed minister of labour. It was a classical case of "poacher turned gamekeeper". In the words of Kuron: "For a long time,

people couldn't strike, so someone had to fight for them. That's what I did. I used to co-operate with strikes. Now I have to extinguish them." (The Wall Street Journal, 10/11/89.) That month full diplomatic relations were established between Poland and the Vatican after nearly 44 years.

As could be expected, the imperialists were not slow to fish in troubled waters. Jaruzelski was shortly visited by George Bush who welcomed the reforms which Poland was introducing as "indispensable". Funds were promised, but they remained very low. Bush visited the Gdansk shipyard where he was greeted by a crowd of 20,000. He then

flew on to Hungary to a crowd of 10,000 people. Later he addressed the parliament where he praised Hungary's free-market reforms, condemned state control and urged more political pluralism. At a speech at the Karl Marx University in Budapest, he announced he would press for international aid to help Hungary's path to the market.

By August, the Polish National Assembly elected as prime minister Tadeusz Mazowiecki, to head a Solidarity-led coalition, with the United Peasant's Party, and the Democratic Party. By then Solidarity had evolved into an entirely different organisation to that of 1980-81. Its membership had

fallen from ten million to 2.2 million. It had split and degenerated politically over the decade. As the participation of the workers dropped off, its leadership became more pro-bourgeois. By 1990, membership had fallen to one million.

On the other hand the old official union, the All-Poland Trade Union Accord (OPZZ) had five million members and was threatening strikes against privatisation. On the basis of experience, the workers were turning against Walesa. The OPZZ in reality had not been a genuine trade union at all but an arm of the bureaucracy. But with the crisis of the regime became more independent of the state and began to

defend the interests of organised labour. They were pushed into opposition to the austerity measures of the Solidarity-backed Mazowiecki government. The reaction was still sharper among the peasants, threatened with ruin by the market economy.

Walesa became the enthusiastic champion of capitalist counter-revolution, travelling abroad to encourage foreign investment in Poland. "We seek buyers for 80 per cent of the Polish economy. We can't find them in Poland, because Poles are too poor," he told US businessmen. Thus, the standard bearers of Polish nationalism set about their work of selling off Poland to the

highest foreign bidder, and at bargain-basement prices. Those who led the mass movement in 1980-81 were now part of the pro-capitalist wing of the bureaucracy. But that was not the only miraculous transformation.

The former Stalinist leaders abandoned their "communism" for the market economy. As The Times (12/9/89) reported: "There has been a flurry of resignations as apparatchiks move hotfoot into private companies, or, in a few cases, buy shares in newly privatised state companies they used to run." As in the other Stalinist states, there were illusions in capitalism at this time even among sections of the working

class. Workers at the 10,000 strong Ursus tractor factory near Warsaw threatened strike action, demanding the privatisation of their plant, "and have declared a vote of no confidence in the management for failing to introduce radical change". (The Independent, 20/11/89.) This is a devastating comment on the bankruptcy of Stalinism and the impasse into which the bureaucracy had dragged Poland. However, within five years, these illusions would completely evaporate. A similar process unfolded in Hungary with the Hungarian Socialist party.

Gorbachov had urged the PUWP to join the coalition, which it did, taking the

Interior and Defence Ministries. The new pro-bourgeois coalition rapidly introduced austerity measures.

Balcerowicz, the finance minister, planned to abolish key subsidies, change the indexing of wages, revise social security, abolish price controls, tighten monetary policy, reduce spending, and encourage private enterprise. The Stock exchange was reopened, and the zloty devalued. However, the first five firms to be privatised drew a queue of just 60 people. There was much anxiety and fear over the so-called restructuring which threatened bankruptcies and mass unemployment. According to one report, 40 per cent of those who voted for the maverick opposition candidate Tyminski

on the first ballot said it was out of fear of privatisation.

The vicious attacks of the Mazowiecki government, resulting in mass unemployment, falling production, and big price rises, served initially to stun the proletariat. But the underlying discontent revealed itself clearly on the electoral front. The opposition to the austerity programme resulted in Mazowiecki being driven into third place in the presidential elections. Walesa was forced to distance himself from the way these policies were carried out, declaring they were "insensitive to the common man". One of the factors which provoked the greatest

indignation was the spectacle of former "Communist" bureaucrats transforming themselves into private owners.

"Some of the fastest people off the mark in Poland's efforts to switch back to capitalism are the Communists themselves," wrote The Independent (14/7/90). "One of the first Communist enterprises to go private was the giant 'Igloopol' frozen foods company. Among the shareholders are a former deputy prime minister, a leader of the former puppet Peasants' Party and a couple of Communist institutions. The first director also happened to be the deputy agricultural minister who put fat subsidies its wayÉ The spectacle of the

Communist nomenklatura coming out best in the carve up of state firms infuriates other Poles."

Thus, the movement towards capitalism in Poland, far from introducing a new era of prosperity and contentment, has given rise to even deeper contradictions. In the words of The Guardian: "Those who wish to succeed in turning their economies toward the market must now inflict great pain upon their citizens. The more they wish to succeed, the more pain they must inflict."

Faced with his own deepening crisis, Gorbachov made it known that the Kremlin would not intervene in the

affairs of Poland or any other country of Eastern Europe. It could not afford to bail these countries out. The USSR was also facing growing national problems of its own in the Baltic states, Georgia, Azerbaijan and the other Soviet Republics. In fact Gorbachov leaned upon the "reformist" leaders in Eastern Europe against the Old Guard who opposed his policies. He had opposed Honnecker, and when he visited West Germany in June 1989, when asked about the Berlin Wall, he replied "nothing is eternal", and that it could disappear "once the conditions that generated the need for it disappear". In this way, regardless of his intentions, Gorbachov in practice pulled the rug out

from under the feet of the Stalinist leaders of East Europe and gave the green light to the West to intervene.

The imperialists were promising loans and credits, and even spoke of a Marshall Plan to assist the restoration of capitalism. However, this remained largely talk and little else. The difference with the Marshall Plan that was implemented after the second world war and the present situation can be seen at a glance. Between 1948 and 1952 the USA provided \$13 billion (\$69 billion in today's prices), and an extra \$2.6 billion (\$13.9 billion today) during 1951-53. These grants and credits were intended to underpin the European

postwar economy as a bulwark against the threat of revolution. The amounts granted to the former Stalinist states were tiny in comparison. The West is very cautious about the stability of these regimes and is fearful of making massive financial handouts that could easily disappear. As The Wall Street Journal(26/9/89) commented: "It's complicated: it's complicated politically, complicated economically, and complicated in human terms."

The collapse of Stalinism in East Germany, Czechoslovakia and Romania was entirely different. There the masses moved into action, and the bureaucratic regimes collapsed like a pack of cards.

Within a matter of a few months in November/December 1989, a series of mass demonstrations brought down the regimes in the GDR, Czechoslovakia and Romania. It saw the fall of the Berlin Wall and the collapse of Stalinism. Fearful of the spread of the movement, the Bulgarian CP decided to "reform" itself as a means of holding on to power. After the successful two-hour strike in late December, the Party agreed to begin discussions with the Opposition, the Union of Democratic Forces (UDF).

East Germany in ferment

It is not generally realised that, at first,

the movement of the East German proletariat was not at all in favour of capitalism, but in the direction of political revolution. The initial mass demonstrations of the East German working class was for the overthrow of the bureaucracy and the introduction of democratic socialism. The Honnecker regime had claimed to have received the votes of no less than 98.85 per cent of the population, in the communal elections of May 1989. However during August, September and early October, more than 30,000 East Germans "voted with their feet", emigrating to the West. In October, in Leipzig demonstrations grew daily from 50,000 to 100,000 to 300,000. This took great courage. The

Stalinists could have resorted to violence, to a Tiananmen-type scenario, to keep themselves in power. In fact, they seriously contemplated it. But Gorbachov realised that this would have led to an explosion which would not have been confined to the frontiers of Germany. The GDR, with its powerful proletariat, was not China! In fact, the regime was paralysed in an agony of indecision.

Power really passed to the streets. Sensing the weakness of the regime, the mood of the masses became bolder by the hour. The numbers of demonstrators swelled. The following month in East Berlin 500,000 came on to the streets.

Following advice from Moscow, the Stalinist SED attempted to introduce reforms from above to prevent their overthrow. Honnecker was replaced by Egon Krenz, and a new government was formed. Unfortunately, the confused petty bourgeois leaders of New Forum, the largest opposition group, did not know where they were going, still less how to get there. It is impossible to keep the masses in a state of ferment for a long time without raising the question of power in a clear and bold way.

The movement was triggered by the opening of the Hungarian-Austrian border, the first breach in the Berlin Wall. In the absence of any clear

alternative, the tendency to "get out" intensified. Over the weekend 10-11 November around two million East Germans flooded to the West. Millions could now see the consumer goods available in West Germany--Europe's richest capitalist economy--in contrast to the drab life in the GDR. This undoubtedly had a big effect. However, if the workers and youth had been offered a real revolutionary perspective for overthrowing the hated bureaucracy, installing a regime of workers' democracy in East Germany, and then issuing an internationalist appeal to the workers of Poland, Czechoslovakia, Hungary, Russia, and, of course, the West, the situation would have been

transformed.

Within a few months, the East German Stalinist regime collapsed like a pack of cards. The truth is that capitalism in East Germany won by default. No other alternative was offered to counter the siren voices from the West. The Stalinist regime was discredited. People yearned for freedom. In addition, the Bonn government hypocritically played on the national sensitivities of a divided people. Propaganda was churned out in favour of the unity of Germany. Given the collapse of the GDR's economy, many saw unification as the road to higher living standards. Mighty West German capitalism was prepared to

spend huge amounts of money to secure the reunification of Germany, a costly policy which has effectively undermined its public finances. The offer to exchange Ost-Marks for Deutschemarks on a one to one basis was intended as a massive bribe to convince the population of the GDR that they would enjoy West German living standards within a united Germany. The promise was false, but in the absence of a genuine democratic socialist alternative, the argument in favour of German unification won by default. The East German regime was disintegrating fast. The borders were thrown open.

With incredible cynicism, Moscow

declared: "These changes are for the better." Having held the people of East Germany down under a tyrannical regime for decades, these gentlemen were quite content to preside over the restoration of capitalism! But what occurred did not reflect the real aspirations of the East German workers. A couple of years ago, some time after unification, an opinion poll revealed that a clear majority in the former GDR, when asked their opinion about the former regime, replied that it was not all bad, and that they would be in favour of socialism, provided that it was on a democratic basis. That means that the East German workers and youth were fighting for genuine socialism, not

capitalism. If they did not succeed, it was not for lack of trying, but for the lack of a leadership worthy of the name.

The imperialists could hardly believe their luck. Bush said he was "elated". Kohl came out as the champion of German unification. In reality, he was forced to act by the mass exodus which threatened to undermine both regimes. By this time great illusions had built up in the market, and the possibility of combining the cheap skilled labour of the East with the modern industry and capital of the West. With no serious Marxist alternative, and with the agreement of Gorbachov, unification was carried through on the terms of the

West. This derailed the movement towards political revolution and marked a defeat for the East German working class.

The SED forced Krenz to resign, and voted to change its name to the Party of Democratic Socialism (PDS). In its place, the new Modrow government promised free elections for May 1990, but then brought them forward to March. Modrow was also forced to allow the participation of a majority of non-Communists in his government, the first time in the history of East Germany. In March 1990, the general election resulted in the victory for the conservative Christian Democrats, in the

guise of the Alliance for Germany. Backed by Kohl's prestige (and D-Marks), they won nearly 50 per cent of the vote, campaigning for "rapid monetary and political union" with the West. Alliance '90, made up of New Forum and other opposition groups, received only 2.9 per cent of the vote, despite having led the mass movement. This result was not surprising. In a situation when fundamental questions are posed point-blank, there is no room for the well-meaning but confused and amorphous middle ground. Either forward to the political revolution, or back to capitalism. Under these circumstances, no other option was really viable.

Czechoslovakia, Romania and Hungary

The Czech workers had welcomed the CP's take-over in 1948 with enthusiasm. So confident were the Czech Stalinists that they even armed the workers, although the arms were soon collected in afterwards. But the experience of Stalinist rule rapidly produced disillusionment. Czechoslovakia was the only country in Eastern Europe with a developed economy at that time. With an educated working class and a powerful industrial base, it achieved better results than the other regimes and living standards were also higher. But discontent with the bureaucratic regime

was enormously exacerbated by the Russian invasion of 1968 which crushed the timid attempt of Alexander Dubcek and the liberal wing of the Czech bureaucracy to carry out a limited reform. The brutal conduct of the Russian bureaucracy pushed a whole layer of youth into opposition. The Russian tanks were greeted with slogans such as "Wake up, Lenin, Brezhnev's gone mad!" The accumulated sense of bitterness and frustration surged to the surface the moment the screws were loosened.

The mass demonstrations in neighbouring East Germany and the fall of the Berlin Wall gave an enormous

impetus to the movement in Czechoslovakia, where it went even further. There was a general strike. Mass demonstrations took place throughout the country. The attempt by the Stalinist government to crush the movement by force backfired. On the 24th November, 250,000 demonstrated in Wenceslas Square. Two days later the crowd has swollen to 500,000. This forced Milos Jakes to resign as general secretary of the CP.

Under pressure from Moscow, the Prague government entered into negotiations with the Civic Forum. On the 27th November a two-hour general strike was supported by millions--the

first in Czechoslovakia for 40 years. The Stalinists were forced to capitulate in face of this tidal wave of opposition and abolished the constitutionally guaranteed "leading role" of the Party even before their East German and Bulgarian counterparts. The Czech CP leaders, who had been "elected" by Russian tanks in 1968, were forced to condemn in retrospect the Warsaw Pact invasion of Czechoslovakia. They attempted to hold on through a new government with a majority of non-Communists. It was a humiliating retreat in an attempt to save their skins. In December President Husak resigned, and the pro-bourgeois former dissident Vaclav Havel was elected in his place. As in East

Germany, a political revolution was implicit in the situation, but was derailed by the lack of the subjective factor.

The pro-bourgeois Civic Forum government announced it was introducing phase one of the market economy on the 1st January 1991, including a 390 per cent energy price rise. The finance minister and Thatcherite Vaclav Klaus planned the sell-off of over 100,000 state owned stores and shops within the next two or three years. The auction of 80,000 smaller state properties took place, and was to be followed by the privatisation of larger companies. But according to

the Financial Times (12/11/90), the "large-scale privatisation under the Transformation Law will be a good deal more complicated". To create this "people's capitalism", citizens were issued with vouchers! Triska, the minister responsible for privatisation, admitted, however, that he did not expect a rush to buy companies. For one thing, a substantial number were not expected to survive!

In Czechoslovakia, the fear of mass upheaval against the new year austerity measures panicked the government. Klaus warned: "I am really afraid that Czechoslovakia will not overcome the transition period from the 1st JanuaryÉ

In Czechoslovakia, we are still living on a razor's edge." Growing economic chaos had given rise to widespread anxiety and had resulted in the Stalinist's strong showing in November's local elections. The fate of the Czech Republic is closely connected to its link with Germany. German imperialism was responsible for the criminal splitting of Czechoslovakia--which was against the interests of both Czechs and Slovaks, and would have been defeated if it had gone to a referendum. But Klaus, the agent of German imperialism in Prague, made sure that the people were not consulted.

In Romania, the movement went much

further with the violent overthrow of the Ceaucescu regime. The regime was smashed by the classical movement of the working class on the lines of Hungary 1956. Between the 21st and 25th December 1989, the attempt by Ceaucescu to placate the masses by promises of wage increases was met with derision. The mass rally he addressed broke up and led to anti-government protests, leading to fierce clashes with the Securitate. Clashes took place throughout the country. The whole system was on the verge of revolution. The state of emergency simply exacerbated the situation. The masses stormed the TV and radio stations, and Ceaucescu and his wife were forced to

flee.

The army came over to the workers and assisted the defeat of the Securitate. Ten thousand were killed in the uprising. The opposition formed the National Salvation Front (NSF). The Ceaucescus were captured and executed. Power was in the hands of the workers, and through them the NSF, led by Ion Illiescu. It was similar to the February 1917 Revolution in Russia. The NSF formed a new government and issued a number of decrees in late December, with free elections promised in April, which were won decisively, to the horror of the Western bourgeois, by the NSF. They won 66 per cent of the vote and two-

thirds of the seats. Iliescu won the presidency with 86 per cent of the vote. The openly pro-bourgeois parties were thrashed. The reason for this is that the Romanian workers made a revolution and their consciousness was determined by this fact.

It is true that, while all the parties (the NSF included) accepted the idea of a market economy, the opposition leaders Ratiu and Campeanu made the central theme of their electoral campaign the speedy introduction of capitalism. They accused the leaders of the Front, as "Communists", of being insincere and half-hearted about privatisation. There can be no doubt that the vote against

Ratiu and Campeanu was a vote against capitalism. The former Stalinists of the National Salvation Front won a sweeping victory. This undoubtedly reflected a mass mood against capitalism among the workers and peasants. What they wanted was socialism, but not totalitarianism. The elements of workers' control existed in the factories, many of which were run by workers' committees. The old managers were purged, and replaced by new elected managers who enjoyed the confidence of the workers. In many factories the workers were armed and turned up to factory meetings with rifles slung over their shoulders. Members of the Securitate and other collaborators of

the Ceaucescu regime were hunted down and arrested or killed. All the elements of a political revolution were present, but once again the subjective factor was missing. There was no revolutionary party to provide a conscious organised expression to the workers' movement.

Under these conditions the ex-Stalinists of the NSF were able to step into the vacuum and derail the movement. The workers had overthrown the old regime but were unable to reap the fruits. While demagogically standing for "socialism" the NSF leaders in practice wanted to move towards capitalism, but at a slower pace than the openly bourgeois opposition. In the words of the then

prime minister, Petre Roman: "Not so long ago our opposition told us that we would never reform the Romanian economy, that the government wanted to talk about reform, but would never change the old systemÉ you know the argumentsÉ we are all still really communists. Well, who can say that now, when we are taking concrete steps to introduce the market economy?" (Quoted in Galloway and Wylie, *Downfall--The Ceaucescus and the Romanian Revolution*, p. 284.)

In Hungary, the split in the bureaucracy resulted in the reformist wing opening up discussions with the opposition, fearing a serious challenge in the elections due

in March 1990. The Hungarian Socialist Workers Party (HSWP) leadership agreed to an electoral system based upon free elections and the legality of opposition parties. As in East Germany, it was a belated attempt to introduce reforms from above to prevent revolution from below. They also opened the door towards capitalist restoration by passing a new law on associations which, according to the Financial Times (5/10/89), "creates a framework for a Western-style capital market and revives types of companies not seen since before the communist take-over". Ownership of private joint-stock companies with up to 500 employees was legalised. The Budapest

stock exchange had been reactivated in July 1988, 40 years after it was suspended following nationalisation. This began the process of privatisation of state assets, and by August over 600 joint ventures between Hungarian and foreign capital had been established. Gorbachov sanctioned these moves in his meeting with HSWP secretary Karoly Grosz.

In response to the establishment of the so-called independent trade unions, the official unions, SZOT, decided to suspend its statutes and reorganise itself into a federation of sovereign trade unions. In October 1989 the old HSWP changed its name to the Hungarian

Socialist Party (HSP) in order to reform its image and entered into a dialogue with the opposition on constitutional reform. It was a victory for the pro-capitalist wing of Imre Pozsgay, which wanted a Social Democratic party, greater privatisation and a mixed economy. In November, after a complete purge, the HSP applied to join the Second International. The remnants formed a few Stalinist groups.

A new constitution was introduced to allow opposition parties to operate freely. The electoral system was changed, effectively banning parties operating in the workplace, and the Workers' Guard was dissolved. As a

consequence financial aid was promised from the EU and the USA. Following the general election, Jozef Antall of the Hungarian Democratic Forum, became prime minister. Privatisation was to be the top priority of the new bourgeois government. Antall took measures to speed up the privatisation of industry, starting with 30 large entities as well as some 40,000 small service concerns. They had also come to an agreement with the IMF to curb the budget deficit and promote the market economy.

The switch to a market economy was "proceeding rapidly in the shops", reports *The Independent* (28/11/90). "Hungarians already pay near-Western

prices for food and other essentials, salaries are frozen by the government at Eastern European levels and a maze of regulations prevents Western businessmen from investing in Hungary." Tolnay, president of the Hungarian Chamber of Commerce, boasted that Hungary had gone further than any other Eastern European country towards capitalism! Antall was to describe 1991 as "the year of the trial" for Hungary.

However, the turmoil of the transition period opened up a crisis and splits within the government over. Huge arguments raged over economic policy. As in the rest of Eastern Europe, experience of the market soon provoked

a reaction on the part of the Hungarian masses. As early as 1990, The Independent on Sunday was complaining:

"The optimism that followed the collapse of communism last year was replaced by a sober awareness of the headaches attendant on building stable democracies and market economies."

The national question and October

"National oppression in Russia was incomparably rougher than in the neighbouring states not only on its western but even on its eastern borders," relates Trotsky. "The vast numbers of these nationalities deprived of rights,

and the sharpness of their deprivations, gave to the national problem in Tsarist Russia a gigantic explosive force." (Trotsky, *The History of the Russian Revolution*, p. 890.)

Tsarist Russia was a prison house of nationalities. One of the key reasons for the success of the Bolshevik Revolution was its approach to the national question. Lenin realised that the only way a new socialist federation could be built was on the basis of complete equality of the national minorities that made up Russia. There could be no compulsion of one nation by another. A socialist republic could only be established on a voluntary basis, as a

voluntary union of nationalities. As a consequence, the right of nations to self-determination was enshrined on the banner of the party and the young Soviet republic, up to and including secession.

Lenin stood for the unity of the peoples of the former Tsarist empire, but it had to be a voluntary unity. That is why he insisted from the very beginning on the right to self-determination. This idea which is frequently misinterpreted to mean a demand for separation is entirely incorrect. The Bolsheviks did not advocate separation, but defended the broadest possible extension of national self-determination, up to and including separation. No one has the right to

oblige a people to live within the confines of a state when the majority do not wish to do so. But the right to self-determination no more implies the demand to separate than the right to divorce means the demand that all couples must separate, or that the right to abortion means that all pregnancies must be terminated. As Trotsky explains in his History of the Russian Revolution:

"In this the Bolshevik Party did not by any means undertake an evangel of separation. It merely assumed an obligation to struggle implacably against every form of national oppression, including the forcible retention of this or that nationality within the boundaries of

the general state. Only in this way could the Russian proletariat gradually win the confidence of the oppressed nationalities." (Ibid., p. 891.) On the other hand, the Bolsheviki were implacably opposed to bourgeois nationalism that attempted to divide the working class. The Bolsheviki stood for the unity of all workers within one organisation, irrespective of nationality, race or religion. "A revolutionary organisation is not the prototype of the future state, but, merely the instrument for its creation. An instrument ought to be adapted to fashioning the product; it ought not to include the product." (Ibid., 891.)

In his work on Stalin, Trotsky explained that "segregating the various nationalistic portions of mankind was never our concern. True, Bolshevism insisted that each nation should have the right to secede--the right, but not duty--as the ultimate, most effective guarantee against oppression. But the thought of artificially preserving national idiosyncrasies was profoundly alien to Bolshevism. The removal of any, even disguised, even the most refined and practically 'imponderable' national oppression or indignity, must be used for the revolutionary unification rather than the segregation of the workers of various nationalities. Wherever national privileges and injuries exist, nations

must have the possibility to separate from each other, that thus they may facilitate the free unification of the workers, in the name of a close rapprochement of nations, with the distant perspective of the eventual complete fusion of all. Such was the basic tendency of Bolshevism, which revealed the full measure of its force in the October Revolution." (Trotsky, Stalin, Vol. one, p. 232.) This was a dialectical concept that could provide the basis for the resolution of the national question.

National problems were a left-over of the bourgeois democratic revolution. Capitalism in its decline exacerbated

these problems. Only the socialist revolution could resolve them and provide a genuine equality of nations. When the Bolsheviks came to power the old Tsarist empire was in a process of rapid disintegration. The Soviet republic could only reconstruct the unity of peoples, in the words of Lenin, "not by force, but by voluntary agreement". This constituted a complete break with Great-Russian nationalism of the past. The Bolshevik doctrine of national self-determination was firstly applied to the concrete conditions of war, when the soviets issued an appeal for peace "without annexations". Social liberation and self-determination became cardinal.

The right of self-determination was an important part of Lenin's programme, insofar as it demonstrated clearly to the oppressed workers and peasants (especially the latter) of Poland, Georgia, Latvia and the Ukraine that the Russian workers had no interest in oppressing them and would firmly defend their right to determine their own destiny. But this was only half of Lenin's programme on the national question. The other half was equally as important--the need to uphold the union of the proletariat above all national, linguistic or religious differences. As far as the Bolshevik Party was concerned, Lenin always opposed any tendency to divide the party (and the workers' movement in

general) along national lines.

After the Revolution, Lenin hoped that there could be a voluntary and fraternal union of the peoples of the former Tsarist empire in the form of a Soviet Federation. To this end, he demanded that the nationalities be treated with extreme sensitivity. Every manifestation of Great Russian chauvinism was to be rooted out. As a matter of fact, for some time after October, the word "Russia" disappeared altogether from official documents. The official name of the homeland of October was simply "the Workers' State".

Despite the military and strategic needs

of the civil war, the Bolsheviki applied the right of self determination unreservedly. In 1918 they accepted the secession of Finland and Poland. In Estonia, Latvia and Lithuania independent Soviet republics were recognised in 1918, but were overthrown with the backing of the British and were recognised as independent bourgeois republics in 1920. In Georgia, a bourgeois republic was recognised in 1920 and a Soviet republic in 1921. Only when the very survival of the Soviet regime was put at risk was this principle transgressed. As Trotsky explained: "At Brest-Litovsk the Soviet government sacrificed the national independence of the Ukraine in

order to salvage the workers' state. Nobody could speak of treason towards the Ukraine, since all the class conscious workers understood the forced character of this sacrifice." (Trotsky, In Defence of Marxism, p. 27. New York, 1970 edition.) The Soviet intervention in the Ukraine in 1919 and again in 1920 was a measure of self defence against a government which had invoked foreign intervention. The same was true of the lower Volga, of central Asia and Georgia.

The defeat of the White armies, and the subsequent withdrawal of British, Japanese and French forces led to the recovery of territory and the

establishment within the Russian Socialist Federal Soviet Republic (RSFSR) of numerous autonomous republics and regions. The principle of independence or autonomy had been extended to the whole of the former Russian Empire. The RSFSR was a loose union based upon bilateral treaties between the Federation and the republics of Ukraine, Belarus, Georgia, Azerbaijan, and Armenia. In 1922 Stalin, Commissar of Nationalities, was responsible for normalising relations between the republics. Eventually, on the 30th December 1922, the federation evolved into the Union of Soviet Socialist Republics, a union of equal partners. Foreign affairs, defence,

foreign trade, communications and posts and telegraphs all fell within the exclusive responsibility of the central government of the USSR. According to the declaration: "Finally the very structure of Soviet power, which is international by its class nature, drives the working masses of the Soviet republics along the path of union into a single socialist family.

"All these circumstances imperatively demand the unification of the Soviet republics into a single union state capable of guaranteeing external security, internal economic progress and freedom of national development for the peoples." (Quoted by E.H. Carr, The

Bolshevik Revolution, Vol. 1, p. 401.)

However, Stalinism--a regime of bureaucratic centralism--came into conflict with the aspirations of the minority nationalities. As early as 1922 Stalin came into collision with Lenin as a result of the former's high handed manner in dealing with the national minorities. Stalin was attempting to crush the opposition of the Georgian Bolsheviks to his plans for the Federation. Lenin wrote to the Politburo in September 1922 concerning Stalin's handling of the republic's relations with the RSFSR: "In my opinion, the question is of prime importance. Stalin is rather in too much of a hurry." (LCW, Vol. 45,

p. 211. Russian edition. It does not appear in the English Collected Works.) A week later, Lenin wrote to Kamenev, "I declare war to the death on Great Russian chauvinism". (Mistranslated in Collected Works, Vol. 33, p. 372, original in Russian, Vol. 45, p. 214.) The following month he writes: "I think that Stalin's haste and his infatuation with pure administration, together with his spite against the notorious 'nationalist-socialism,' played a fatal role here. In politics spite generally plays the basest of roles."

In a broadside against Stalin, Lenin warned against that "really Russian man, the Great Russian chauvinist, in

substance a rascal and a tyrant, such as the typical Russian bureaucrat is." He continued: "There is no doubt that the infinitesimal percentage of Soviet and sovietised workers will drown in that tide of chauvinistic Great Russian riffraff like a fly in milk". He then concluded: "The political responsibility for all this truly Great Russian nationalist campaign must, of course, be laid on Stalin and Dzerzhinsky." (LCW, Vol. 36, pp. 605-11.) Lenin had suffered two serious strokes and realised he could die at any moment. While he was ill, he insisted on dictating a letter to Krupskaya for Trotsky congratulating him for having triumphed "without a blow being struck" in the Central

Committee's discussion on the foreign trade monopoly. Stalin got to hear of this, telephoned her and swore at her, unheard of conduct for a Bolshevik leader.

The following day, 23rd December 1922, very upset, Krupskaya wrote to Kamenev: "Stalin subjected me to a storm of the coarsest abuse yesterday about a brief note that Lenin dictated to me, with the permission of the doctors. I didn't join the Party yesterday. In the whole of these last 30 years I have never heard a single coarse word from a comrade. The interests of the Party and Ilich are no less dear to me than to Stalin. At the moment I need all the self

control I can muster" Krupskaya asks (it is the editors who summarise without quoting) to be protected "from gross interference in her private life, unworthy abuse and threats". (Central Archives of the Party at the Institute of Marxism-Leninism, in Lenin, Collected Works, Russian ed., Vol. 54, pp. 674-5.)

On the 30th December 1922, Lenin writes: "If matters have come to such a pass we can imagine what mess we have got ourselves into." He exchanged letters with Trotsky and entrusted him with the defence of their common cause. On the 5th March he wrote to Trotsky asking him to undertake the defence of the Georgian case against Stalin. In his

Testament, which he dictated at the cost of enormous effort each day, he calls for Stalin's removal as general secretary. This was Lenin's last political act.

The national question requires great sensitivity. Bureaucratic high-handedness is incompatible with such an approach. "The cultural demands of the nations aroused by the revolution require the widest possible autonomy," explained Trotsky. "At the same time, industry can successfully develop only by subjecting all parts of the Union to a general centralised plan. But economy and culture are not separated by impermeable partitions. The tendencies of cultural autonomy and economic

centralism come naturally from time to time into conflict. The contradiction between them is, however, far from irreconcilable.

"Although there can be no once-and-for-all prepared formula to resolve the problem, still there is the resilient will of the interested masses themselves. Only their actual participation in the administration of their own destinies can at each new stage draw the necessary lines between the legitimate demands of economic centralism and the living gravitations of national culture. The trouble is, however, that the will of the population of the Soviet Union in all its national divisions is now wholly

replaced by the will of a bureaucracy which approaches both economy and culture from the point of view of convenience of administration and the specific interests of the ruling stratum." (Trotsky, *The Revolution Betrayed*, pp. 170-1.)

The national question and Stalinism

The Revolution played a colossally progressive role in awakening national pride. Tsarism, which had enslaved the peoples of the Empire, gave way to the promotion of national freedom and the strengthening of culture. Nations were formed out of races and tribes. Alphabets were invented or replaced for

the majority of languages spoken in the USSR, where either none existed or were in aristocratic Asiatic script. Forty-eight languages appeared in the written form for the first time. These included Uzbeks, Turkmen, Kirgizh, and Karakalpak in Central Asia. The same was true of the Moldovians, Chechens and Ingushi. In Bashkiria, a Bashkirian language was fashioned out of Tatar and declared the official state language. After the Revolution Central Asia was generally referred to as Turkestan, although separate nations with their own distinct languages were created in this area. This led to the rapid rise of national consciousness and communication between peoples in

writing for the first time.

The modernisation of indigenous languages led to the promotion of the Latin alphabet. This especially affected the 16 Muslim peoples who used the Arabic script. These included the Azeris, Uzbeks, Kazakhs and Tatars. Buryat and Kalmyks, which formally used the Mongolian script, were also Latinised. By 1933, 37.5 per cent of all Soviet newspapers were in non-Russian languages. There were no schools before 1917 which taught in Ukrainian or Belorussian, but by 1927 over 90 per cent of these nationalities were being taught in their mother tongue. The same was true of the other republics. By 1935,

primary education was being conducted in eighty languages in the Russian Soviet Federated Socialist Republic. This represented a colossal stride forward. But the national question was still not solved. The bureaucratic totalitarian regime in Moscow could not tolerate the slightest manifestation of independence. In open violation of every principle of Leninism, all the old Tsarist methods were brought back with a vengeance.

Stalin suppressed the slightest "nationalist" deviation. Towards the end of the second world war Stalin banished entire nations on the pretext of alleged collaboration with the Nazis. Collective guilt was the norm. This happened to the

Chechens, the Ingushi and the Crimean Tartars. As Khrushchev revealed in 1956:

"All the more monstrous are the acts whose initiator was Stalin and which are rude violations of the basic Leninist principles of the nationality policy of the Soviet state. We refer to the mass deportations from their native places of whole nations together with all Communists and Komsomols without any exceptionÉ Thus, already at the end of 1943É a decision was taken and executed concerning the deportation of all the Karachai from the lands on which they lived.

"In the same period, at the end of December 1943, the same lot befell the whole population of the Autonomous Kalmyk Republic. In March 1944, all the Chechen-Ingush peoples were deported and the Chechen-Ingush Autonomous Republic was liquidated. In April 1944, all Balkars were deported to faraway places from the territory of the Kabardino-Balkar Autonomous Republic and the Republic itself was renamed the Autonomous Kabardian Republic. The Ukrainians avoided meeting this fate only because there were too many of them and there was no place to which to deport them. Otherwise, he [Stalin] would have deported them also." (The Khrushchev

"Secret Speech" at the 20th Congress of the CPSU, 24-25 February 1956. Quoted in The Moscow Trials--An Anthology, p. 32.)

These crimes and similar measures against the republics stored up enormous resentment and hostility to the Moscow regime. The element of Great-Russian chauvinism against which Lenin had fought all his life was rampant in Stalin's regime, encouraged by the "boss" himself. Although Stalin himself was a Georgian who spoke Russian with a thick accent, he was a fervent upholder of Great Russian chauvinism. This is the rule with members of small nations who rise to power in the government of the

oppressor nation. Let us recall that Napoleon Bonaparte was a Corsican, but likewise became an enthusiastic convert to French imperialism and centralisation. Immediately after the war, Stalin made the following speech:

"Let me propose one more toast to you. I would like to drink a toast to the health of our Soviet people, and particularly to the Russian people. I drink to the health of the Russian people because it is the outstanding section among all the nations of the Soviet Union. I drink a toast because not only is the Russian nation the leading nation but its people show a sharp intellect, character and perseverance." (A. Nove, Stalinism and

After, p. 169.)

This kind of speech would have been unthinkable when Lenin was alive. Great Russian chauvinism in all its manifestations did colossal damage, undermining the spirit of fraternal solidarity established by October and giving rise to deep resentment among the other nationalities, who felt like second-class citizens. These sentiments remained largely under the surface while the Soviet economy was advancing. The crisis of Stalinism was to release these explosive feelings, which in turn, led to the break-up of the USSR. The policy of Stalinism on the national question flowed inevitably from the totalitarian

character of the regime and the bureaucratic concentration of power in Moscow.

With the death of Stalin, Khrushchev attempted to put all the crimes of the past onto Stalin's shoulders. Although reforms were instituted to eliminate the worst features of Stalinism, national oppression, although milder in character, was ever present. It was most graphically illustrated by the anti-Semitism of the regime under the guise of anti-Zionism.

The scourge of anti-Semitism

Tsarist Russia was the land of the knout and the pogrom. It carried out a brutal

system of national oppression, which singled out the Jews for special persecution. This persecution had always led a layer of Jewish youth, who rejected Zionism, into the revolutionary Marxist movement: Trotsky, Zinoviev, Kamenev, Rosa Luxemburg, Radek and many others. The socialist revolution was seen as the only way to abolish anti-Semitism and secure a future for the Jewish people. The Revolution gave the Jews all that had been denied to them: full rights, equal status with the rest of the population, and the perspective of putting their considerable talents to work in creating a new and better life for all. Tsarism had excluded the Jews. Bolshevism offered them the chance to

integrate on the basis of complete equality. This was accepted by the overwhelming majority. However, even here Lenin showed great flexibility. Although the Jews were not strictly a nation (Lenin had characterised them as a special oppressed caste) they were nevertheless offered the right to set up their own homeland on a separate territory (Birobaidjan), although very few showed any interest.

The October Revolution attracted the most talented and forward-looking elements in the Jewish population in Russia and beyond its borders. Many joined the Communist Party and played an outstanding role. A case in point was

the Pole Leopold Trepper who later led the famous Red Orchestra, the organisation of Soviet agents which did heroic work in the heart of Hitler's Third Reich. In his remarkable autobiography, Trepper writes:

"I became a Communist because I am a Jew. In my contact with the workers of Dombrova, I had seen the extent of capitalist exploitation. In Marxism, I found the definitive answer to the Jewish question that had obsessed me since childhood. In my judgement, only a socialist society could put an end to racism and anti-Semitism, and allow the complete cultural development of the Jewish community." (Trepper, *op. cit.*, p.

69.) These sentiments were typical of a whole generation of Jewish class fighters.

Reaction always sought to whip up anti-Semitism and use the Jews as a scapegoat. The very idea of tolerating anti-Semitic utterances in Lenin's party would have been anathema. This garbage was the usual weapon of White reaction. In the civil war, it was usual to attack the Bolshevik leaders as Jews (Lenin included). But not until the Stalinist reaction against October did anti-Semitism raise its head inside the Communist Party. Anti-Semitism was used by Stalin in his struggle against his political opponents. On the 4th March

1926, Trotsky wrote a letter to Bukharin protesting that in a Party branch rumours had been put in circulation that "the Yids are making trouble in the Politburo".

(Quoted in D. Volkogonov, Trotsky, p. 281.) In attacking the Opposition in 1927, Stalin said he was opposing Trotsky and Zinoviev not because they were Jewish but because they were Oppositionists. This was intended as a sly hint to his supporters, who were not slow to take it up.

Zionism had very little support among Russian Jews, who saw in the Revolution a solution to their problem. But whereas October gave the Jews full equality and freedom from persecution,

Stalinism intensified discrimination against them, playing on the age-old prejudices of the most backward layers of the population. The fact that this anti-Semitism was thinly disguised with codes such as "rootless cosmopolitans" and later "Zionists" did not alter the substance of the matter. Anti Jewish campaigns were whipped up periodically, especially after the second world war, culminating in the infamous Doctors' Plot. This led to the demand for emigration from the Soviet Union, especially after the formation of the state of Israel in 1948.

After the 20th Congress, a delegation from the British CP was sent to the

USSR to investigate allegations of anti-Semitism. Their conclusions are included in the following report, which reveals the atmosphere of open and covert anti-Semitism in Stalinist Russia:

"The Soviet Encyclopaedia, which in its 1932 edition devoted about 160 columns to the Jews, reduces this in the 1952 edition to four columns. The biographies of many eminent Jews have been removed. Marx was no longer referred to as a Jew. Then came the discovery from private conversations by Comrade Levy with Jews that the years 1948-52 were known among them as 'The Black Years,' the period during which many Jews were dismissed from their posts,

Jewish poets and writers were arrested and charged with treason and executedÉ

"Those arrested and charged in secret were prominent political or cultural workers. Shortly after his arrest, the immediate relatives of the arrested man would be deported to some distant place and there set to work, and often at low wages. Finally, the husband would be shot, perhaps after torture, to try to force him to confess or to incriminate others. In this way, practically the whole of the Jewish Anti-Fascist committee was liquidated." (World News, CPGB weekly, 12/1/57.)

As under Tsarism, the regime resorted to

the Jewish scapegoat in order to distract attention from problems at home. There was an upturn in anti-Semitism after the Israelis victories in the 1967 war. This took the form of a campaign against Zionism. Even if there had been a growth of Zionism, it could never be combated by administrative means. Only to the degree that Jews could feel secure in the USSR, would Zionist ideas fail to have an attraction.

The urge to emigrate was clearly a reflection of the inability of Stalinism to cater for the aspirations of the Jews. Emigration turned into a flood after 1971 after the initiation of détente under the pressure of the Jewish lobby in the USA.

More than 200,000 left the USSR during the 1970s. The Jewish population living in the USSR fell from 2,151,000 in 1970 to 1,449,000 in 1989. This stands as a monumental condemnation of the Stalinist regime that this layer preferred to take their chances in Israel rather than stay in their homeland. This stands in stark contrast to the fact that only an insignificant number of Jews chose to emigrate after 1917, despite the appalling conditions, and the absence of any legal obstacles to leaving.

October offered hope to the Jews and all the formerly oppressed peoples. That hope was shamefully betrayed by Stalinism. Only through the socialist

revolution can the Jewish question be solved. The state of Israel cannot resolve matters. As Trotsky forecast a month before his assassination in August 1940: "The future development of military events may well transform Palestine into a bloody trap for several hundred thousand Jews. Never was it so clear as it is today that the salvation of the Jewish people is bound up inseparably with the overthrow of the capitalist system."1 (Leon Trotsky, On the Jewish Question, p. 12.)

'Independence' no way out

The integration of the economies of the Republics under a common plan was

beneficial to all the peoples of the USSR. The advantages were particularly evident in the formerly backward Republics of Central Asia. A Western journalist commented on the remarkable transformation in this area: "Certainly Central Asia has seen a stupendous economic and social transformation in the past 70 years. In 1917 these steppes and mountains were inhabited by a virtually illiterate population, living in romantic but often abject poverty. Today, in Tashkent (population two million) the old silk route is transected by a Moscow-style metro, and a 200-acre botanical garden miraculously evokes, in what was once semi-desert, the illusion of a Buckinghamshire woodland." (The

Observer, 30/3/86.)

But this was only one side of the picture. The Stalinist regime created a whole series of miniature bureaucracies in the Republics which accurately reproduced all the negative features of the original from which they were copied. The national bureaucracies in the Republics gathered increasing power into their hands thanks to the successive measures of decentralisation pursued under Khrushchev and Brezhnev.

Decentralisation without the check of workers' democracy led to a flowering of unprecedented corruption. For example, one local bigwig in Turkmenistan, Gapurov by name, was

pensioned off at the Turkmen Party Congress in December 1982. "Under him cadres were often promoted to leading posts on grounds of personal loyalty, family ties or birth place," reads a report of the Congress. "He had created '*a breeding ground for nepotism, flattery and careerism, created an atmosphere of laxity and back scratching, and gave rise to servility and irresponsibility*'."

(Financial Times, 27/3//86, my emphasis.) This was not untypical, but Gapurov was unlucky to be found out.

Venal, inefficient and oppressive, these local bureaucracies also displayed the same chauvinist tendencies that are an

inevitable feature of all brands of Stalinism. In order to bolster their own power and privileges, they leaned on the local chauvinists. Arrogant, narrow-minded and without a shred of internationalism, they deliberately played up to nationalist sentiments. Local bureaucracies batted themselves onto national grievances seeking to develop their power basis. The consequences of this were disastrous, as we saw later with the vicious fratricidal wars fought out between Azeris and Armenians, Georgians and Abkhazians, Trans-Dniester Russians and Moldovans, the national hatred against the Russian minorities in the Baltic States, and so on.

Gorbachov at first attempted to keep the USSR intact by blaming the policies of the Stalinist era for deforming Lenin's "unique" creation of a federal state in which national and cultural rights had been granted to peoples deprived of them under Tsarist rule. He stated he would reassert Lenin's nationalities policy, including the basic right to "self-determination". However, Gorbachov claimed it was simplistic to describe self-determination solely as a right of secession (a right already "guaranteed" to the Republics theoretically by the 1977 Soviet constitution). He described it more in terms of a "process of affirming national dignity, developing language and culture, consolidating

political independence and advancing economic and social progress".

Gorbachov warned: "It should be borne in mind that more than 60 million people (21 per cent of the total population) live outside their national republics as a result of economic, social and demographic processes and inter-ethnic migration. Naturally it is impossible to solve any problems without taking into account the legitimate interests and rights of fellow citizens." In practice, Gorbachov's line had nothing in common with Lenin's. It echoed the opportunist position of Otto Bauer and the "Austro-Marxists" who, before the first world war advanced the slogan of "national-

cultural autonomy" as an alternative to Lenin's policy of the right to self-determination. What was really required was a genuinely voluntary union. But this was only possible on the basis of a regime of workers' democracy.

With the slow-down and deepening crisis of Stalinism, together with the "reforms" under Gorbachov which partially lifted the bureaucratic central control, centrifugal tendencies were inevitably released which burst forth with extreme force, breaking apart the old Soviet Union and opening up a period of ethnic and nationalist turmoil. In order to further their own interests, some of these conflicts were stirred up

by the local bureaucracies, basing themselves on nationalism, eager to assert their independence from Moscow. The breakaway of the Baltic republics gave the others the green light. One by one, the Republics came out in favour of independence.

Once the fear of Stalinist terror had diminished, the crisis of Stalinism led rapidly to the break-up of the USSR in December 1990. The speed with which this occurred is sufficient proof of the unsoundness of the previous relationship. This was the final punishment for decades of national oppression by the Moscow bureaucracy. Whereas Lenin's careful policy on the

national question resulted in the adherence of almost all the oppressed nationalities to the revolution, the abandonment of Lenin's policy under Stalin and his successors had the opposite effect. As soon as they had the opportunity, they broke away from the Union.

The move towards capitalism and the unleashing of all the pent-up tensions prepared the way for terrible bloody conflicts within the former Soviet Union. It was only recently, after five years of turmoil and Russian occupation, that some kind of truce was declared in the bloody conflict between Azerbaijan and Armenia over the predominantly

Armenian enclave of Nagorno-Karabakh. Both the Armenian and Azeri bureaucracies are concerned for their own power, prestige and privileges, and not the peoples of both areas. The Azeri bureaucracy denied the Armenian majority linguistic rights when they controlled the enclave, and encouraged pogroms against the Armenians in Sumgait and Baku.

Yet there is nothing inevitable about the conflict between Azeris and Armenians. After the Revolution, good relations were established between the two peoples. So much so that when in 1923 the leader of the Azeri CP offered to return Nagorno-Karabakh to Armenia,

the offer was declined. The issue appeared irrelevant. Only after decades of Stalinist misrule, when every local bureaucracy attempted to strengthen its base by appealing to the nationalist sentiments of the most backward layers of the population, was the basis laid for the return of the old demons.

Explosive developments have taken place in Moldavia, Georgia and Chechnya, which the Russian government has been incapable of solving even by force. Moreover, the break-up of the USSR gave rise to acute economic problems given the extreme interdependence of all the Republics after decades of centralised planned

economy. As a result, both centrifugal and centripetal tendencies are at work. Only the Ukraine has a relative economic basis for independence, but even there, the Ukrainian economy is still tied by a thousand links to that of its powerful neighbour.

Decades of Stalinist repression has produced a powerful urge of the peoples to be free from the yoke of Moscow, but, as Gorbachov remarked, the populations of all Republics are mixed. The chauvinists of each Republic display the most brutal intolerance towards the national minorities in their own states, who, in turn, are terrified of becoming oppressed minorities in small newly

"independent" Republics. The Baltic nationalists combine a vicious chauvinistic attitude to the Russian, Polish and other nationalities with the most obsequious kowtowing to Western imperialism. They have even denied them the basic democratic right to vote. These "independent" Baltic states were semi-colonies of Britain between the wars, before falling under the control of Nazi Germany. Their economies were tied to Russia and Comecon. They will find it extremely difficult to export to the EU because of the Common Agricultural Policy (CAP). In the field of industry, they will not be able to compete with the West. Their nominal independence, as we shall show, is a delusion and a sham.

Experience has shown that the break up of the USSR in which the economies of all the republics were linked together, signifies a disaster for all the peoples. The situation is not viable. Sooner or later one way or another, they will be reunited with Russia. If this is done on a capitalist basis, the national oppression will be enormously intensified in what will then be an imperialist relationship. But the experience of "standing on their own" has been so disastrous that even a great proportion of the people of the Ukraine, with gritted teeth, would probably prefer to go back. Only a regime of workers democracy would guarantee genuine freedom for all the republics in a free federation with a

common plan of production, in which control would be in the hands of the working people, with the fullest autonomy and a guarantee of the right to self-determination.

(1) Of course, the situation has changed to some extent since Trotsky wrote these lines. Half a century later, six million Jews live in Israel, which is now the strongest military power in the Middle East. But this does not at all invalidate Trotsky's analysis. To begin with, Israel, the supposed promised land of peace and plenty, has indeed turned out to be a bloody trap for the Jewish people. This is testified by four terrible wars, and even more frightful wars in the making.

Moreover, Israel exists because the USA needs a reliable bastion in the Middle East. It survives only thanks to enormous expenditure on arms, underwritten and subsidised by Washington. This, however, may not always be the case. The future of the Israeli people, without a socialist revolution in the Middle East, will be a terrible nightmare in the future. This shows how the problems of the Jewish people have also found no solution on a capitalist basis. ([back to text](#))

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Russia:

**from Revolution to
counterrevolution**

Part Nine:

The collapse of Stalinism

Plans for capitalist restoration

"Apathy, indifference, thievingÉ have become mass phenomena, with at the same time aggressive envy towards high earners. There have appeared signs of a sort of physical degeneration of a

sizeable part of our population, through drunkenness and idleness. Finally, there is a lack of belief in the officially announced objectives and purposes, in the very possibility of a more rational economic and social organisation of life.

Clearly all this cannot be swiftly overcome--years, maybe generations, will be needed."

N. Shmelev. (N. Shmelev, *Novy mir*, No. 6, 1987.)

"You can make fish soup out of an aquarium, but can you make an aquarium out of fish soup?"

Lech Walesa.

When Gorbachov's reforms seized up,

there was a lurch into deeper crisis. In the same way, Tsarism for generations swung from repression to concession and back again. But a return to the untrammelled repression of the Stalin era was ruled out. The enormous power of the working class made that impossible. The bureaucracy was compelled to tread warily, for fear of provoking an explosion. However, the options before the bureaucracy were extremely limited. The impasse of the bureaucracy created widespread disillusionment in the working class. By the late 1980s, powerful illusions in the market arose among certain layers, especially of the bureaucracy and the intelligentsia, but also even sections of

the working class. But the bureaucracy was still divided.

The Ligachev wing wanted to keep the old structures intact, and fiercely resisted the agrarian reforms which were intended to undermine the collective farms and promote private farming. The internal antagonisms grew more intense as the crisis deepened. In April 1989 Gorbachov carried through a purge of the Old Guard, when the central committee approved the "retirement" of 74 of its full members and 24 of its candidate members. In the following month, the new supreme representative body came into being: 2,250-member Congress of Peoples' Deputies. It had

been elected under new "democratic" procedures that allowed greater participation, with two-thirds of the Congress being filled by direct popular election. This body partly superseded the former USSR Supreme Soviet. The Congress elected a 542-member Supreme Soviet which was to meet twice a year. The Communist Party was guaranteed a large part of the Congress, thus safeguarding the vested interests of the bureaucracy. Each union Republic also adopted a constitution and state structure modelled on the central administration. By these means, Gorbachov hoped that he would obtain the necessary backing in his struggle with the Stalinist old guard who were

resisting his policies. Soon deep splits in the bureaucracy re-surfaced in the new styled parliament.

At this stage Gorbachov still had not made up his mind to go over to capitalism. As late as the 7th November 1989, in an interview from the Lenin Mausoleum during the celebrations of the anniversary of the Revolution, Gorbachov called for a return to the "Leninist ideals of 1917". However, the situation was slipping out of his hands. Soon after, Gorbachov admitted that "we have temporarily lost control of some levers of economic management". The old system was collapsing, but nothing was being put in its place. Such a

situation could not last. A sudden switch to a market system, he warned, would produce "riots in the streets" and the government's downfall. All kinds of half measures were being tried as the regime twisted and turned. On the 13th November 1989, Gorbachov's leading adviser, Deputy Prime Minister Leonid Abalkin presented his plans for a transition. He wanted the USSR to adopt a "mixed economy", with some state enterprises transferred to other forms of "socialist ownership" (although not into private hands, as Abel Aganbegyan suggested).

The economy was sinking deeper into crisis. Gosplan, the central state

planning agency, was warning that due to the collapse of central planning, production could slump between 30-70 per cent. At the same time, in the time-honoured manner, Gorbachov tried to put the blame on his predecessors. The Central Committee in December 1988 announced the removal of the names of Brezhnev and Chernenko from street signs, plaques and monuments.

Brezhnev's works were to be removed from public libraries. Rehabilitation of dead victims continued to take place. Izvestia reported that the Supreme Court had dropped all posthumous charges against Trotsky's son Sergei, who had been murdered in 1937. But the question of Trotsky's rehabilitation remained

taboo. On the other hand Bukharin enjoyed a certain vogue, since his theories could be used as a convenient justification for a pro-capitalist policy.

But none of this had any relevance to the real situation, which was becoming worse all the time. The economic crisis was deepening. Nikolai Ryzhkov, the prime minister, delivered what the Washington Post (8/6/1989) called "the bleakest official account yet of the Soviet Union's economic plight". He reported that the USSR was running a budget deficit of around 6.2 per cent of GDP, with expenditures set to outstrip revenues by Rbs62,000 millions in 1988-89. The budget deficit had

increased since 1985, primarily because of declining oil revenues; the anti-alcohol campaign which had cost the state Rbs40,000 million in lost tax revenue, and a series of major disasters. The military intervention in Afghanistan had also cost around Rbs5,000 million a year. Total foreign debt amounted to Rbs34,000 million. He proposed to cut subsidies to loss making enterprises and cut defence spending. A commission was established to investigate the privileges of the nomenklatura--thus, the nomenklatura was to investigate itself!

The workers' patience was exhausted. In July 1989, a wave of industrial unrest gripped the USSR, centred on the

coalfields of the Donbass and Kuzbass. 12,000 stopped work at Mezhdurechensk and took control of the town. They demanded better living conditions, higher wages, increased holidays, better working conditions, etc. They also demanded complete economic independence for their mines so that the profits could be invested locally. This kind of demand was confused, reflecting in part the frustrations of the provinces at the lack of attention from Moscow and the chronic lack of investment.

The government was forced to step in to prevent the strikes spreading. In the Kuzbass more than 100,000 miners were involved. The strike committees

demanded the immediate abolition of privileges for officials, direct negotiations with central government and a new constitution. As the Kuzbass went back the Donbass came out, with similar demands. The movement affected pits at Vorkuta in the far north, Rostov-on-Don in the south-west, and Dnepropetrovsk and Chervonograd in the Ukraine. The estimated number on strike was 300,000. This was the nightmare scenario of the rulers of Russia. Gorbachov said the strikes were "the worst ordeal to befall our country in all the four years of perestroika", but added that they showed the need to eliminate "all sorts of bureaucratic obstacles along the road to reform". The strikers agreed to return

after concessions were made.

It is an undeniable fact that the consciousness of the Russian masses was thrown back a long way by the long nightmare of totalitarian rule. Even among the miners, particularly their leaders, there were some illusions in capitalism. They had not yet enjoyed the pleasures of a market economy and some of them thought that it would enable them to sell their coal on world markets. Such illusions were mixed up in a peculiar way with ideas of workers' control of the mines.

Despite this, the move towards capitalism did not come as a result of

pressure from the population. More than 40 per cent of respondents to an opinion poll held at this time said that they would prefer a return to more centralised economic management and only 25 per cent wanted a market-orientated system. The voices in the bureaucracy in favour of a capitalist solution became ever louder and more insistent, especially among the economists. This trend gathered ground throughout 1989 and in the first half of 1990. The government of the Russian Federation under Yeltsin was clearly dominated by the pro-bourgeois wing of the bureaucracy. This wing came forward with a programme of complete capitalist restoration. Stanislav Shatalin

and Grigory Yavlinsky drafted the so-called 500 day programme for the transition to a market economy, which proposed large-scale privatisation within 100 days, plus price liberalisation and the slashing of subsidies.

Shatalin told a Party meeting earlier that year which was reported in Pravda: "It is not a question now of saving socialism, communism or any other -ism, it is a question of saving our country, our people." At the same time, Nikolai Ryzhkov, chairman of USSR council of ministers and Leonid Abalkin, the deputy prime minister, were drawing up an alternative plan, less ambitious, but

aimed at the same thing. Gorbachov asked Aganbegyan to decide, and he came down in favour of the 500-day plan. They called for financial stabilisation, an end to budget deficits, a market infrastructure, and the legalisation of private property.

However, Ryzhkov won approval from USSR Congress of Peoples Deputies for his programme intended to achieve economic recovery by 1995. But by March 1990, this plan was judged inadequate given the continuing economic disintegration of the country. On the 11th March the council of ministers instructed Abalkin to prepare a draft by 1st May to achieve a more rapid

move to a market economy. However, by late April the Presidential and Federation Councils had returned Abalkin's draft for further work. It was clear that Gorbachov and his ministers had backed away from shock therapy for the economy for fear of strikes and unrest.

On the 6th March the Supreme Soviet adopted the Article 34 on property ownership. Abalkin said it would create the necessary conditions for Russia's transfer to a "planned market economy". The law allowed citizens the right to own and inherit property, mineral resources, equipment, money, shares and water. The official news agency TASS

pointed out that the term "private property" had been avoided because the phrase "has great emotive force" in the USSR, where people associated it with exploitation. Within the Supreme Soviet there was a stormy session on the second reading of the bill. But on the 1st July, the law came into effect with 350 in favour, three against, and 11 abstentions. But this was still in the realm of calculated ambiguity intended to unite all the factions of the bureaucracy.

On the next day, the central government published a statement that land was the property of the people living on it, and that every citizen had a right to a plot. However, much to the surprise of the

pro-capitalist "reformers", the rural population showed no interest whatsoever in becoming transformed into private owners of small plots of land.

Reform of pricing was another central plank of the transition, but fearing a popular explosion, the government wanted a "stage by stage introduction of market methods" In anticipation of these reforms, it was proposed to treble bread prices on the 1st July 1990, and compensate for this with pension and wage rises. The attempted compromise satisfied nobody. Both "radicals" and "conservatives" denounced the plan in the Supreme Soviet as "ill-conceived".

They demanded a more coherent plan by the 1st September. The "radicals" pushed through the Supreme Soviet a vote to ask Gorbachov to issue decrees from July to establish joint-stock companies, stock exchange, and denationalise state enterprises.

On the 14th June, the Supreme Soviet rejected the proposal to treble bread prices. Panic buying forced Gorbachov to appeal for calm on television. At every stage the rulers of the Kremlin looked anxiously over their shoulder to watch for signs of an explosion. On the same day the Supreme Soviet passed the country's first corporate taxation law. New laws on enterprises were passed

allowing them to set their own prices, and establishing a mechanism to declare bankruptcy. In this way, the legal foundations for capitalism were being laid. But it is not enough to put a law on the statute book. It is necessary to possess the force to put the law into practice. On the 11th July, tens of thousands of miners went on strike.

The rise of Yeltsin

Boris Yeltsin, who was removed from the Politburo of the Communist Party in 1988, now emerged as a key figure in the move towards capitalist restoration. On the 29th May he was elected as chairman of Russian Supreme Soviet, making him

de facto president of Russian Federation. Gorbachov was quoted as saying he was "somewhat worried" by Yeltsin's promotion. Up to this point Yeltsin manoeuvred to strengthen his position. Consequently, under his command, the Russian Congress adopted a Declaration on the Sovereignty of Russia, further reinforcing his authority and power. He repeatedly clashed with Gorbachov, finally calling for his resignation publically on television.

The Congress of Peoples' Deputies approved the creation of the post of president of USSR. Two days later Gorbachov was elected to the post. Congress also voted to amend the 1977

USSR constitution to abolish the CPSU's guaranteed monopoly of power. In July 1990, coinciding with the CPSU Congress, Yeltsin resigned from the Communist Party, following the lead of ex-foreign minister Eduard Shevardnadze. On the very next day, the "reformist" mayors of Moscow and Leningrad, Gavriil Popov and Anatoly Sobchak, also resigned. In the previous six months 130,000 had left the CPSU-10,000 in Moscow in July alone.

At the 28th Congress of CPSU in July, Gorbachov spoke of the end of the "Stalinist model of socialism". He admitted that "decades of the domination of the administrative command system

have alienated the working class from property and authority." This was an astounding confession of bankruptcy. But instead of posing a clear Leninist alternative, Gorbachov, as usual, confined himself to generalities and ambiguities. "Genuine democracy" was being established. The overcentralised Soviet state was in the process of being converted into a genuine union of "self determination and voluntary association of peoples". But he still insisted that his plans for a market did not signify a reversal to capitalism: "This means that by moving towards a market we are not swerving from the road to socialism, but are advancing towards a fuller realisation of society's potential."

The pro-bourgeois wing was beginning to get organised. Three hundred deputies established an independent group within the Congress dedicated to accelerating perestroika and "to countering the pressure put on parliament by conservative forces". Its leadership comprised Yeltsin, Sakharov, Afanasiev, and Palm. They represented the openly counter-revolutionary wing of the bureaucracy. Popov and Sobchak were also representative of this layer. At its head stood Yeltsin, the president of the Russian Republic.

According to Shatalin: "An assessment of the economic situation in the USSR compelled the country's leadership, first

and foremost the President Mikhail Gorbachov, to admit the necessity for an immediate transition to a market economy, a reappraisal of views on state intervention in the sphere of market relations and the socio-economic sphere as a whole É Although even here fundamental differences still remain." (A.G. Aganbegyan (editor), Perestroika Annual, Vol. 3, p. 162.)

These lines show that the contradictions had not been removed. A fierce struggle between the different wings of the bureaucracy was raging. On the 4th September 1990, the USSR Supreme Soviet once again delayed the introduction of the market economy by

attempting to get a compromise over rival plans--the more radical plan of Shatalin and the commission set up by Gorbachov and Yeltsin, and the more cautious one of Prime Minister Ryzhkov. As always, the main worry was the reaction of the working class. Ryzhkov warned that Shatalin's plan would produce social unrest. The Supreme Soviet finally announced its preference for Shatalin. However, a compromise was again drawn up by Aganbegyan (mainly taken from Shatalin's plan) and presented to USSR Supreme Soviet committees on the 12th September 1990. Thus, the main wing of the bureaucracy was still dragging its feet. Then in a surprise move on the 11th September,

without waiting for the USSR Supreme Soviet, the government of the Russian Federation adopted Shatalin's plan for the Republic's economy to be implemented on the 1st October (though it was later postponed until the 1st November). They also passed a vote of no confidence in Ryzhkov's government, thus opening up a clash with the central authority. However, the programme stalled, and both reformist ministers resigned.

Eventually, on the 19th October 1990, the USSR Supreme Soviet approved a plan for a market economy. According to *The Guardian* (20/10/90) the mood was "sombre and desperate". It was a

compromise programme "short on detail". During the month of October Gorbachov issued decrees on the liberalisation of wholesale prices and the rouble commercial exchange rate (a step towards a convertible rouble). In November, the government set the official exchange rate at \$1:1.80 roubles (six years later it was \$1:5,000); foreign ownership of enterprises (the right of foreign capitalists to set up in USSR, and buy shares and property). On the 13th November Yeltsin announced that Shatalin's plan was being held in abeyance. "It was impossible to proceed with the Shatalin plan without co-ordinating it with the central government." This was an entirely new

departure. In effect, the representatives of the pro-bourgeois wing were using their control of the government of the Russian Federation to engineer a confrontation with the Kremlin.

The imperialists could hardly believe their luck. They seized the opportunity with both hands. By the end of the year, with the fall of the Berlin Wall, a summit was held between the presidents of the Soviet Union and the USA. At the press conference, President Bush stated he was "prepared to encourage the Soviet Union in every way" in that country's search for "greater engagement with the international market economy". In other words, the representatives of world

imperialism were throwing all their weight behind the nascent bourgeoisie in Russia. Gorbachov gave the state of the nation speech in an atmosphere of crisis. The food crisis worsened. In December the Congress of Peoples' Deputies granted Gorbachov more powers. The New Union Treaty was creating a new focus for tension between the different wings of the bureaucracy. Shevardnadze, now firmly in the camp of capitalist counter-revolution, resigned warning of the "onset of dictatorship". Gorbachov, while paying lipservice to "socialist planning", had embraced the concept of the market as a way out, although he continually vacillated, reacting now to one pressure, now to another, like a dead

leaf blown by every wind.

Perestroika and glasnost had served only to open up a Pandora's box. The explosion of strikes threatened to bring the whole bureaucratic order crashing down. Gorbachov was facing removal, as happened to Khrushchev earlier.

Completely disorientated, he appeared to be facing in all directions at once. The crisis of the regime took place, as we have seen, against a background of growing unrest in the Republics. In Georgia, open war had broken out over the question of Abkhazia. The open split in the ruling elite unleashed pent-up centrifugal tendencies that had accumulated in the Soviet Union for

decades. In 1991 the authority of the centre was collapsing. Republics and even cities decreed their own prices. Barter between Republics, regions and enterprises took the place of planning. A document of the Russian Republic graphically describes the situation:

"The economy approaches the borderline beyond which one can speak not of economic crisis but catastrophe. The sharp fall in output that is occurring in most state enterprises is accompanied by growing inflationary processes. Management is concerned not with production, but with how to find the means to pay the wages demanded by its employees and how to supply them with

food and consumer goods to spend these wages on. These problems, as well as those of material-technical supply, are increasingly being resolved by the archaic method of barterÉ but this cannot ensure the needed supplies, so economic links are disrupted and production is halted. The degree of uncontrollability of the economy has reached catastrophic dimensions. The planning institutions are demoralised by the uncertainties of their situation today and particularly tomorrow. Information from the grass roots is lacking. All-union, republican and regional orders contradict one another, which adds to social-political tensions." (Quoted in Nove, *An Economic History of the USSR*, p. 416.)

There was still strong opposition to privatisation in the Supreme Soviet. However the "reformers" became increasingly bolder and clearly anti-socialist. Gorbachov tried to hold things together by balancing between the rival wings. This disastrous policy only led to increased tensions within the bureaucracy. The bureaucrats were only interested in maintaining their privileges, position and income. The crisis had effectively undermined their position. The question was: how to do it? The representatives of the old Stalinist wing were alarmed and increasingly desperate. The flashpoint was the move to break up the USSR with the signing of the Union Treaty. In the

build up to the meeting of the Congress of Peoples' Deputies, the representatives of the old nomenklatura began to exert pressure on the government.

In December, the KGB's chief, General Vladimir Kryuchkov, made a statement on TV that the country was in the grip of "extremist radical groupsÉ supported morally and politically from abroad". With no plan and no clear idea of where he was going, Gorbachov had effectively lost control. His decision to preside over the break up of the Soviet Union through the Union Treaty was creating widespread resentment in the bureaucracy, and especially in the military caste. In essence, the Treaty

would leave the centre with only residual powers over foreign policy and defence. The crisis in the USSR had already unleashed extreme separatist and nationalist tendencies. They had already lost Eastern Europe. Where would it end? In early 1990, the decision had been taken to end the constitutional monopoly of power of the Communist Party. The demoralised Party was further weakened by Gorbachov's tinkering. In July the CPSU adopted a new draft programme, replacing Marxism-Leninism with Social Democratic principles. Elections in the Baltics and Georgia propelled them towards independence. There were huge pro-independence rallies in Lithuania, and

further strikes in the coalfields. In spite of all the talk of "reform", in the first half of 1991 GNP fell by 10 per cent over the previous year.

Gorbachov was warned by Lieutenant-Colonel Viktor Alksnis, leader of the Soyuz ("Union") group of deputies about the dangers of the Union Treaty. The negotiations over the new Treaty dragged on into 1991. It was due to be signed by Gorbachov in August. Alksnis threatened a vote of no confidence in Gorbachov "if there is no turnaround" by the start of the Congress. He came out for the suspension of all political parties, dissolution of all parliaments and a state of emergency.

What conditioned the whole situation was the absence of an independent movement of the Russian proletariat. True there were many strikes. But, given the enormous confusion and the lack of any alternatives, the workers did not fight as an independent force. This was the determining element in the whole equation. In the absence of a mass independent movement of the workers, the whole struggle was fought out between rival wings of the bureaucracy. The conflict could only be resolved in open struggle. Since the opposing wings were evenly balanced, a Bonapartist solution was the only one possible. Thus the blind alley of perestroika led directly to the attempted coup of August

1991.

The 1991 attempted coup

"The party of Order proved É that it knew neither how to rule nor to serve; neither how to live nor how to die; neither how to suffer the republic nor how to overthrow it; neither how uphold the Constitution nor how to throw it overboard; neither how to co-operate with the President nor how to deal with him." Karl Marx. (MESW, The Eighteenth Brumaire of Louis Bonaparte, by Marx, Vol. 1, p. 462.)

On the morning of the 19th August 1991 tanks appeared on the streets of Moscow and other cities. This attempted coup

d'état was led by Vice-President Gennady Yanayev (a supporter of Ligachov's Stalinist faction), the prime minister Valentin Pavlov and the minister of defence Yazov. The coup leaders announced on the radio that it was staged "due to Mikhail Gorbachov's inability to perform his duties for health reasons", and a state of emergency was being introduced to overcome "the profound crisis, political, ethnic and civil strife, chaos and anarchy that threatens the lives and security of the Soviet Union's citizens". In fact, Gorbachov had been placed under house arrest in the Crimea after refusing to relinquish the presidency.

The coup was not unexpected. The Soviet Union had been buzzing with rumours for months. George Bush even telephoned to say he had heard rumours of an imminent military take-over. As early as December 1990, the Soyuz group of parliamentary deputies had pressed for military action against the break-away Republics, to be followed by the declaration of a state of emergency across the country. The attempted coup represented a desperate gamble by a section of the bureaucracy to stop Gorbachov from signing the Union Treaty. The Treaty, which was due to be ratified on the 20th August, was the result of long negotiations, begun initially in response to demands from the

Baltic states, Georgia and Moldavia, to leave the Union. The plotters were terrified of further power passing to the Republics, especially the Russian Republic under Yeltsin. Yanayev and the old guard were attempting to prevent the break-up of the Soviet Union and re-establish the power of the military caste. However, the coup proved to be an abortive attempt from beginning to end.

Boris Yeltsin, who was in the presidential building of the Russian Republic (the so-called White House) took advantage of the situation to rally all "democratic" forces against the hardliners. Within a few days the coup d'état had collapsed. This coup,

however, was not defeated on the streets as was later claimed by some. The mass of workers were indifferent. Yeltsin's call for a general strike fell on deaf ears. According to The Guardian's Moscow reporter (22/8/91): "Most people were too apathetic, cynical or just plain frightened of the consequences to obey Mr Yeltsin's strike call." The five years of perestroika ended up in a mess of empty shops, queues, shortages, spiralling inflation, chaos and the threat of hunger. This resulted in a collapse of support for Gorbachov (down to a 14 per cent approval rating) and a growing rejection of the whole pack of "reformist" politicians.

The bureaucracy was split. One section wanted to maintain the status quo, or even go back to repression, as under Brezhnev. The other wing, representing the nascent bourgeois, wanted to go down the capitalist road. However, the mass of workers saw no fundamental difference between the hardliners and the pro-capitalist counter-revolutionaries around Yeltsin. His call for a general strike against the August coup was publicly backed by Margaret Thatcher who appealed to the Russian workers to support it. As it turned out, it was a total flop. Reuter's correspondent issued the following estimation: "Yeltsin's appeal for strikes was meeting with a patchy response. In the Soviet

Union's biggest coalfield, the Kuzbass, whose miners had previously shown themselves willing to use their industrial clout as a political weapon against the Kremlin, only about half the workers downed tools. In Vorkuta coalfield of Siberia, only five of the mines were to respond positively to Yeltsin." (The Guardian, 22/8/91.)

So only half the coalminers took action. The oil workers, a decisive section to whom Yeltsin specifically appealed to, decided not to strike. The same was true of the gas workers. There was little or no response in Moscow. A few limited strikes in Leningrad. Five enterprises in Yeltsin's home town of Sverdlovsk went

on strike. But nothing in the Baltics, the Caucasus or Central Asia. When the then president of the Ukrainian parliament, Leonid Kravchuk, took an ambiguous stand in relation to the coup, the Reuters' correspondent noted that "Mr Kravchuk was reflecting opinion on the streets of Kiev, where Ukrainian journalists reported that many people expressed support for the coup". (The Guardian, 20/8/91.)

A similar story was recounted by Morgan Stanley bank, which carried the following eyewitness report in its Review (17/9/91): "Moscow is a power vacuum. It isn't that the centre doesn't hold. It just isn't there. That's one side of

it. The other is that there is no popular revolution. A rotten power clique encountered very little democratic resistance, and yet the coup, its edifice and the apparatus of power collapsed." And further on: "Indeed, popular resistance to the coup was minimal for most of the first few daysÉ I was struck in Moscow by the lack of popular revolt." In other words, the majority of workers did not raise a finger to resist the coup. And this is for the very good reason that they did not trust Yeltsin any more than Yanayev or, for that matter, Gorbachov.

A Russian observer writing for the same journal spoke of a conversation on a

Moscow bus on the 19th August: "One middle-aged man said loudly that he was glad of the restoration of order. No one either supported or objected. Gloom and fear, and maybe equanimity and resignation hung over the people." Such examples could be multiplied at will, and graphically show the mood at the time of the coup.

This view was reinforced by the report from the same source which wrote that "it seems that most of the public would have silently accepted the rule of the junta if the coup had been successful. Demagogic as it was, its promise of a quick economic amelioration could have given the junta a good chance. The

feelings of frustration, desperation and cynicism over the state of the economy are so widespread that any rulers who look capable of achieving any progress [i.e. towards capitalism] could not expect to find popular support. I am not at all sure that the broad masses of the population understood and accept the idea that there is no alternative to marketisation and shock therapy."

The mood of the people was summed up by the BBC correspondent Martin Sixsmith:

"The role of the Soviet people was also under scrutiny that afternoon: those who came to the parliament or demonstrated

on the streets had made their own decisive choice in favour of democracy. But there were, in truth, not that many of them: fifty thousand people from a city of ten million is not an overwhelming percentage. Many more may have opposed the coup in their hearts, but they did little or nothing to put that emotion to practical effect. Strikes did occur sporadically, but most enterprises kept going and there were enough transport workers willing to work to keep the buses and the metro in action. At this stage of the coup, Yeltsin was facing not only the Kremlin's tanks, but also the apathy of large sections of the population.

"Even more challenging was the sentiment expressed by a considerable number of ordinary soviets that the coup leaders should be given a chance, that they could hardly do worse than the previous lot in power, and that they might at least bring back law and order. Especially attractive to many people were the plotters' promises of ending the rise in crime, the spiralling ethnic conflicts which were dogging the country, and the attempts of independence-minded republics to break up the Union." (Martin Sixsmith, Moscow Coup, p. 37.)

Those who had rallied to the Yeltsin camp, according to The Sunday Times

(25/8/91) report, "were the people who had experienced first-hand the benefits of perestroika, who looked beyond the promise of cheaper bread and higher wages and were not about to go back easily to being treated as sheep". This stratum were composed mainly of millions of qualified people, students, engineers, speculators and black marketeers who sensed in the movement towards the market economy the possibility of gaining power, wealth and positions. They made up the intellectual "reformers", distrusted by the great majority of Soviet workers.

This stratum's hostility towards the Stalinist bureaucracy had nothing to do

with "democracy", far less a defence of workers' interests, and everything to do with the thirst for their own political power. For the working class "democracy" is not an abstract question. If it does not serve to lead to increased living standards and social advancement, "democracy" becomes an empty legalistic concept for the mass of the population. Does that mean that Marxists are indifferent to the struggle to defend democratic rights? Far from it. But workers are obliged to defend democratic rights with their own independent methods, completely independent of the "democratic" bourgeoisie.

Decades of monstrous totalitarian Stalinism had had the effect of throwing consciousness back, in a way which could not have been anticipated. The physical extermination of the Old Bolsheviks succeeded in cutting the umbilical chord connecting the new generation with the traditions of the Revolution. The very successes of the planned economy brought about a drastic change in the composition of the proletariat. Large numbers of former peasants emigrated to the towns and cities where they were absorbed by the growth of industry. In general, this has meant an enormous strengthening of the working class. However, the consciousness of the new generation of

Soviet workers was not the same as the generation of 1917. Their perception of the Revolution and socialism and communism was coloured by the experience of life under Stalinist rule.

The psychology of the Russian masses at this time is not difficult to understand: "communism" has failed. Capitalism is even worse. Gorbachov, Yeltsin, all make promises, but the situation of the masses becomes ever more desperate. Where is the alternative? Under such conditions, the daily struggle for survival dominated the minds of the masses. Politics becomes a dirty word. Corruption, lies and outright gangsterism on all sides reduces the workers,

temporarily, to despair.

Could the coup have succeeded?

To those who argued the coup had no social base and would therefore not have succeeded, we can point to those layers of the population who were sick of the chaos of katastroika and yearned to go back to the "good old days". More importantly, it had a base in a far wider layer who, without supporting the coup, were repelled by the pro-capitalist policies of Yeltsin and therefore remained passive throughout. The passivity of the great majority of the working class would have been sufficient to ensure the success of the

coup if it had been carried out with sufficient decision.

This was admitted in an article by Francis Fukuyama, a prominent strategist of capital, and consultant of the Rand Corporation in Washington, in The Independent on Sunday (25/8/91): "Despite divided loyalties in the army and police, the coup plotters could have succeeded in the short term had they been more competent and determined, as was the Deng regime in Tiananmen Square. They had sufficient numbers of loyal KGB and interior troops to arrest or kill Yeltsin, shut down the press and enforce a curfew. But the plotters were afflicted with a lack of belief in

themselves and their cause."

The outcome of revolution and counter-revolution is never a foregone conclusion. In both cases the result is decided by a struggle of living forces in which the subjective factor--the quality of leadership--plays an important, and frequently decisive, role. You can have the most favourable objective conditions, the widest social base, but if you do not act with absolute determination and audacity, you will go down to defeat. The coup in Moscow was not defeated by the lack of a social base, but because of the pathetic failure of the coup leaders to deal with the opposition in a ruthless and implacable

manner. Suffice to contrast their conduct with that of Jaruzelski in Poland in 1981, who arrested all the leaders of the opposition in the middle of the night before launching his coup.

Former dissident Roy Medvedev makes this very comparison: "Jaruzelski was far more efficient than they were when he cracked down in Poland. He cut off communications and arrested 200 people. Actually, he didn't even arrest them, he just put them in isolation. Here, though, they didn't even arrest Yeltsin."

In particular, the failure to arrest Yeltsin left a focal point for the opposition and exposed the plot in the eyes of key

sections of the army, police and KGB chiefs as a botched operation. From an initial position of waiting in the sidelines, these sections finally decided to distance themselves from the coup leaders. These leaders, in turn, found themselves suspended in mid-air. The coup collapsed, not because of a mass movement of the workers--there was none--but because it was a botched and premature attempt, which did not succeed in attracting the support of decisive sections within the state apparatus itself. It was not overthrown in struggle. It simply collapsed from its own internal contradictions and weaknesses. "So why did it not succeed?" asked Martin McCauley.

"Astonishingly, it was poorly planned and executed." (M. McCauley, *The Soviet Union 1917-1991*, p. 368.)

This was the opinion of all the serious strategists of capital. "Preliminary assessments by intelligence analysts in Britain and America suggested the coup was hastily organised by a small group of people who fatally misjudged the mood of the organisations they controlled. There is no evidence of any pre-coup rehearsals by any security forces." (The Sunday Times, 25/8/91.) And further The Sunday Times states: "In the early part of last week there were no signs of any significant mobilisation. 'This was not a revolution that failed

because of people power' said one Western intelligence source. 'There were fewer people on the streets than the plotters might have expected. It failed because they did not put enough troops on the ground or use them effectively'."

The fact that the coup attempt was the result of a panic reaction of top bureaucrats to the Union Treaty, explains the complete lack of seriousness and decisive action. The leader of Gorbachov's group in the Kremlin, Valentin Karayev, later described how they began to react, once they realised that the coup leaders were failing to act: "By the 20th it was clear to all that nothing had happened. There were no

arrests, nothing." (The Wall Street Journal, 29/8/91.) The paper made the following observation:

"But details now emerging indicate that the collapse of the putsch actually owes much to the putschists themselves, some of whom got cold feet early on.

"One, prime minister Valentin Pavlov, started backsliding within hours of the Monday morning announcement of the take-over. A second, defence minister Yazov, had early doubts which he later acted upon. Mr Yanayev himself admitted the seizure of power was illegal within hours of deposing Mr Gorbachov." The article concluded:

"The coup destroyed itself." (The Wall Street Journal, 29/8/91.)

When Gorbachov returned to Moscow on the 22nd August, after the collapse of the coup, everything had changed.

Hitherto, he had managed to maintain himself by balancing precariously between the opposing factions of the bureaucracy. Now his power had gone. Gorbachov was ignominiously forced to resign as general secretary of the CPSU. Then the Central Committee voluntarily dissolved. Within a few days he was forced to outlaw ("suspend") the "Communist" Party. Its property, publications and assets were confiscated by Yeltsin's Republic, which issued a

decree banning the CPSU. The Komsomol "voluntarily" disbanded itself. There was no resistance.

The old CPSU was a gigantic network for patronage and an arm of the state. Only through the Party was it possible to "get on". The Party was responsible for the appointment of 600,000 key jobs and a further one million reserve jobs in the state and industry. Membership of the Party was thus a necessary path to a successful career. In the early days of the Soviet Union, access to prominent positions in the state was still open to talented children of working class families. This was a major difference with the West. But as time went on, this

was increasingly less the case. The best jobs were reserved for the children of bureaucrats. This itself was a symptom of the senile decay of Stalinism, a kind of arteriosclerosis.

At the top stood the Soviet elite, increasingly divorced from the reality of the life of the working class in society. After repeated purges, the content of old Communist Party had been completely transformed to the point where it had nothing in common with the Bolshevik Party except the name. It was really not a party at all, but an organ of the state composed of 19 million members, among whom were undoubtedly a layer of honest workers but in the main

consisted of an army of opportunists, thieves, stooges and careerists of all kinds. This had nothing in common with the party of Lenin and Trotsky, which had been destroyed in the Purges. The process of transforming the party into a bureaucratic tool had begun after Lenin's death, as Edward Crankshaw points out:

"Immediately after Lenin's death this process was accelerated. In the process of building up his own position and packing the Party with people who could be relied upon to support him, Stalin, as First Secretary and very much at grips with Trotsky, proclaimed the so-called Lenin Levy. This was in effect a mass enrolment of new members designed to

swamp Stalin's opponents. Thus at the 12th Party Congress in 1923 membership stood at 386,000; a year later, at the 13th Congress, it had risen to 735,881. By 1929, with Stalin supreme and preparing to liquidate his senior colleagues, this figure had doubled: there were 1,551,288 Party members.

"The next development was a most astonishing change in the composition of the membership. Between 1930 and 1934 the Party ceased to be a workers' organisation. In 1930 actual workers formed nearly 49 per cent of the membership; in 1934 this proportion, as reflected in the Party Congress, had dropped to 9.3 per cent. Hand in hand

with this went the virtual monopolising of the Party by the rising boss class. Thus in 1923 only 23 per cent of all the factory directors in the Soviet Union were Party members. By 1936 the figure was close on 100 per cent. And so it went on, until in the year of the German invasion of Russia there were nearly three million Party members, most of them engaged in administration of one kind and another." (Edward Crankshaw, *op. cit.*, pp. 63-4.) And the author correctly concludes:

"When we reflect that the old Party had been almost wiped out by Stalin during the purge years of the middle thirties, the Party functionaries all down the line

were used regularly and deliberately as scapegoats for the mistakes and excesses of the higher leadership, it is clear that the postwar Party was very different from the body through which Stalin climbed to supremacy and *had not the faintest resemblance to the original Party of Lenin.*" (Ibid., p. 64, my emphasis.)

These elements were held together not by conviction or ideology, but by the Party's link to the state feed-bag. Once this link was destroyed, it disintegrated overnight. As the political arm of the bureaucracy, it was shattered by these events. Whole swathes of "Communists" deserted the Party for openly bourgeois

or nationalist groupings, as rats swarm off a sinking ship.

A ferocious ideological offensive was unleashed against the October Revolution and the planned economy. Within a month Yeltsin had banned all political activity within workplaces, a measure aimed deliberately at the Communist Party. The Yeltsinites raided the CP headquarters, seized its documents and incriminated the Party in the attempted coup. Pravda was suspended and its staff replaced. Once the coup had failed, the KGB issued a statement: "Members of the KGB had nothing to do with the illegal acts of that group of adventurers." This subservient

act failed to save it. The feared organ of repression was taken over by Yeltsin and purged. The Supreme Soviet rubber stamped Gorbachov's dismissal of the entire government.

The whole balance of forces was radically altered by these events. The power rivalry between Yeltsin, the president of Russia and Gorbachov the president of the Soviet Union was over. In the struggle for power Gorbachov was marginalised. The imperialists piled on the pressure for the break up of the USSR and the move towards capitalism. It meant the collapse of Stalinism and the coming to power of a pro-bourgeois government under Yeltsin

determined to push through capitalist restoration as rapidly as possible. The collapse of the coup led to an enormous strengthening of the openly pro-capitalist wing of the bureaucracy. Every evening on Russian television a telephone number was displayed for anyone wishing to inform on neighbours or workmates who supported the coup. The official TV and radio was taken out of the hands of the CP. Pravda eventually reappeared, but it was no longer the organ of the (disbanded) Central Committee. This unleashed a deluge of propaganda against the Stalinists. The mayor of Moscow, Popov, collected all the Communist statutes into Gorky Park and declared them all historic relics.

Seizing the opportunity, one republic after another declared their independence. The Baltics, Armenia and Georgia had already done so, but they were joined before the end of August by the Ukraine, Belarus, Moldova, Azerbaijan, then Uzbekistan and Kirgahizia. The disintegration of the Union left Gorbachov with little say or power. He had opened the door to capitalist restoration, and was now brushed aside by the powers he had conjured up. Given the collapse of the coup, the initiative fell to Yeltsin and those in favour of a rapid move to capitalist restoration. The Supreme Soviet soon granted Yeltsin extraordinary powers to rule by decree.

It appeared that the road to capitalism was now complete.

The following month, the Supreme Soviet ratified the decision to change the name of Leningrad to its pre-revolutionary name of St Petersburg, as approved by referendum in June.

Sverdlovsk became Yekaterinburg, its original name. In December, at the Kremlin, the Soviet flag was symbolically replaced by the old Russian flag. These were moves were undertaken to eradicate the heritage of October. So far had the pendulum of history swung back that the old barbarism of the Tsarist regime was now being presented in the most favourable

light. The counter-revolution manifested itself in the reappearance of Tsarist insignia, the proliferation of fascist groups, the idea of "Mother Russia", and the restoration of the Orthodox Church, the official religion of the Tsarist state.

But did the aftermath of the coup represent a decisive change in the situation? According to Popov, writing in Izvestiya, 22nd August 1992, Yeltsin "completely rejected the idea of turning the victory over the putschists into a wholesale purge of the former system" Martin Sixsmith comments: "In many places the transfer of responsibility from the Party structures to the elected state bodies did not give power to the

democrats, but handed it back to the Communists in a different guise." (M. Sixsmith, Moscow Coup, p. 170.) This is what the imperialists feared. It was undoubtedly a step towards capitalist restoration, but it was not decisive enough. Given the surge towards counter-revolution, Yeltsin could have assumed dictatorial powers immediately after the failure of the coup. But he left it too late. He dithered. "Between August 1991 and early 1992, Mr Yeltsin could have dismissed parliament without loud complaint," complains *The Economist*, (23/1/93). This failure to act decisively allowed parliament--representing the old military-industrial complex--to recover and challenge Yeltsin. This

opened up a further period of intense rivalry between the two wings of the bureaucracy. Later, Yeltsin was forced to legalise the Communist Party, which within two years, was challenging him for power.

The disintegration of the USSR created new problems for the "independent" states. What relationship would they now have? Before they could answer, Yeltsin announced that those Republics that bordered Russia could be subjected to redrawn borders, as there were large Russian populations within these Republics that had to be protected by the Russian state. He now turned against the idea of independence because of the

economic implications and the restive minorities within the borders of Russia. In December 1991, under Yeltsin's initiative, Russia, Ukraine and Belarus formed the Commonwealth of Independent States (CIS), and by the end of the month eight more Republics had joined.

Gorbachov was left with nothing. He resigned as president. Silently, ignominiously, this accidental element left the stage of history by the back door, having played out his role as the stalking horse of capitalist restoration. In the presidential elections that were held four years later, the people of Russia passed a crushing and well merited

verdict on this individual. Of vastly greater import was the fact that after seven decades of the most titanic exertions and the most remarkable transformation in history, the USSR had disappeared.

Abolition of price controls

Yeltsin's earlier stand against the privileges of the bureaucracy gained him a lot of popularity with ordinary people, especially in Moscow. This enabled him to get elected as president of the Russian Republic in June 1991. The new head of the Russian state remarked how he felt strange in the White House. But he significantly pointed out that the majority

of the old bureaucrats were prepared to serve him: "Here the leader of the opposition would be taking charge of the enormous Soviet Russian bureaucracyÉ *Many stayed; a few left.*" (B. Yeltsin, *The View from the Kremlin*, p.19, my emphasis.) Trotsky had already predicted that, in the event of a capitalist counter-revolution, far fewer officials would have to be purged from the state than in the case of a political revolution of the proletariat. Using his new-found power, Yeltsin acted ruthlessly to consolidate his *coup d'état*.

Under the pressure of imperialism, Yeltsin urged faster privatisation, agrarian reform and tighter monetary and

credit policies. He gave his full backing to the group of "radical young reformers", in other words, staunch capitalist restorationists, around Yegor Gaidar, who was made minister of finance. Anatoly Chubais was put in charge of privatisation. Gaidar was the consummate representative of that wing of the former Stalinists which leaned on imperialism. This pro-bourgeois government entered into negotiations with the IMF and announced massive cuts in the state budget. As expected, the IMF and World Bank insolently treated the former Soviet Union as if it were a third world client to whom they could dictate, as a master to his servant.

On the 2nd January 1992, the government abolished the state control of prices which resulted in many goods rising between threefold and 30-fold. In practice, prices actually rose in the region of 300-350 per cent. Fares on the Moscow metro rose from 15 kopecks to 50 kopecks. The other ten members of the CIS were compelled, to their alarm, to follow suit and increase their prices, since Russians would otherwise simply buy up goods at controlled prices from neighbouring republics. In March, the price of bread, milk and other staples were increased. The reaction was intense. Mass demonstrations now took place outside the White House, the Russian Supreme Soviet building against

these massive price rises. To contain the mood of protest, the government was forced to increase the minimum wage by 100 per cent and also raise pensions. These "free market" policies solved nothing, and simply deepened the crisis. Food supplies reached a critical level, with no more than 20-40 days of stocks left.

Yeltsin was under intense pressure from the Western imperialist powers to push ahead with his counter-revolutionary "reform" programme. But the deep contradictions within the bureaucracy had not been eliminated. He faced continual sabotage by the Russian parliament, which represented the

interests of the managers of industry and the bureaucracy. Ruslan Khasbulatov, Chairman of the Russian Supreme Soviet and Vice-President Alexander Rutskoi stepped up their attacks on Yeltsin's economic policies, and the nascent bourgeois he represented. Khasbulatov warned that 90 per cent of the population were living in unsatisfactory conditions, and that Russia was experiencing "pauperisation and lumpenisation" of its people. Rutskoi at a meeting of "patriotic groups" numbering 1,000 delegates, said Yeltsin's policy was "economic genocide".

The Yeltsin wing stood for a rapid movement in the direction of capitalism.

This wing represented the interests of the nascent Russian bourgeoisie--the spivs, black marketeers, Mafia, speculators and assorted scum--which had risen to the surface on the basis of the move towards capitalism. They were also the agents of imperialism, who did not mind sacrificing the interests of Russia in order to feather their own nests. The other wing broadly represented the interests of the old nomenklatura, the bureaucrats whose power, privileges and income depended upon their control of the large-scale nationalised enterprises and collective farms. The latter was, in turn, subdivided into different factions, reflecting the different layers of the

bureaucracy, and constituted an extremely large and heterogeneous social grouping.

The conflict revolved around the interests of the nascent capitalist elements and black marketeers who wanted a rapid introduction of laissez-faire or uncontrolled capitalism, and parliament on the other hand, which represented the old bureaucracy of state managers and the military-industrial complex that had previously ruled Russia through the "Communist" Party. Some of these were also pro-capitalist, but would have preferred a gradual movement in the direction of capitalism where they would become the new ruling

class, while others preferred to go back to the old system. But they were all concerned about the social consequences of a rapid move to capitalism. If Yeltsin's plans for privatising large-scale industry were carried out to the end it would mean unemployment, not of five million, but of at least 25 million, and perhaps twice that. That is a finished recipe for a revolution, or total chaos.

The old guard waged a bitter struggle against Yeltsin and his government. As *The Economist* (20/6/92) commented: "After six months of economic 'shock-therapy,' Russia's industrial managers have found their political voice. Alarmed at the speed and direction of

the Russian government's economic reforms under President Boris Yeltsin, Russia's industrial managers are demanding a greater say in how the country is run." A new anti-Yeltsin alliance between the ex-Stalinists and nationalists was formed in the parliament called Russian Unity.

The worst of all worlds

The government now embarked upon a programme of mass privatisation with the issue of privatisation vouchers. It was hoped that 25 per cent of state industries would be sold by the end of 1992. Land would also be privatised. Nevertheless, the pressure of the

military-industrial complex forced concessions from the government in the form of increased subsidies. Extra funds were given to agricultural production, food subsidies, and housing for the armed forces. Against the opposition of Yeltsin and Gaidar, the Russian parliament voted Rbs200,000 billion worth of credits to industry. The money supply was effectively out of control and inflation was turning into hyper-inflation.

In April 1992, the struggle was so intense that Yeltsin was forced to beat a partial retreat. The attempt to effect a swift transition to the "market" and "sound economics" foundered. The

Congress of Peoples' Deputies demanded Gaidar's head. As a result, Yeltsin was forced to dismiss Gaidar as finance minister, but still kept him on as one of his deputies. Yeltsin also announced there would be a softening of the "reforms" and extra credits to cash-starved industries. The Congress pushed harder and demanded higher social provision. Strikes by teachers and hospital workers over wages led to further concessions from the government.

Gaidar had justified the increasing budget deficit "no matter how dangerous for the economy" because of growing social tension. Izvestia (20/7/92) reported that despite the falls in

production, there were grounds for "restrained optimism" because a "wholesale slump" had been avoided! Payment of salaries and pensions was then Rbs221,600 million in arrears. The newspaper concluded that the "process of establishing the basis for a market economy looked hopeful". The only progress was that by the end of the year some 30,000 small enterprises and shops were auctioned off. However the decisive sections of the economy remained in state hands.

Yeltsin's appeal to the West for aid and investment did not have the desired result. The aid given by them was pathetically low: \$6 billion to help

stabilise the rouble and a loan of \$24 billion from the IMF. Yet according to Western financial experts, the amount of funding to give Yeltsin's reform programme a chance of succeeding would amount to between \$76 billion and \$167 billion each year for about 15 years. And this figure did not include either the money for supporting rouble convertibility (estimated at \$7-10 billion) or the increased cost of cleaning up the environment, itself a pressing task. The amount needed to finance capitalist restoration would total less than 1 per cent of the combined gross domestic product of Europe, the USA and Japan for a period of five to ten years. That was proportionally less than

the amount given to Western Europe by the USA under Marshall aid for a much longer period. By contrast, the West had remained reluctant to commit these huge sums of money. The capitalists had no confidence in the outcome of the attempt to reimpose a market economy in Russia or Eastern Europe. Western investors were not prepared to risk their capital, despite the low wages of the skilled Russian workforce. They have understood that the restoration of capitalism is fraught with difficulties, that social upheavals are on the order of the day, and that the whole process can go into reverse. That is why Yeltsin tried to frighten the West into parting with some money with the spectre of a "New

October Revolution". For their part, the Western governments took Yeltsin's warnings very seriously, which explained their anxious support for this drink-sodden and ailing "reformer".

Russia ended up with the worst of all worlds--all the disadvantages of bureaucratic bungling and mismanagement, and all the disadvantages of corrupt gangster capitalism. Thousands of enterprises were continuing to churn out huge quantities of shoddy useless goods which nobody wanted. These were either stockpiled, or given away to the workers, instead of wages. Other enterprises were idle, starved of raw

materials and resources, where workers turned up, did no work, and only received promises of wages. The result was a colossal rise in wage arrears and inter-enterprise debt.

This continuing conflict between the different wings of the bureaucracy is not at all a trivial affair, but represents a profound antagonism. This was shown by the armed storming of parliament in October 1993. That incident showed the impossibility of a "cold" transition to capitalism in Russia. However, once again, the key element in the equation was the passivity of the masses. While a certain layer of the workers did participate in the defence of parliament

(this was subsequently admitted even by the Yeltsinites), the overwhelming majority played no role.

Throughout 1992 the open struggle between Yeltsin and parliament assumed an increasingly bitter character. Both wings of the bureaucracy appealed demagogically to the masses for support. "Russia's managers have also joined forces with workers to slow down the pace of reform," reported The Economist (20/6/92). "With the economy in turmoil, both managers and workers at state-owned enterprises feel threatened by the prospect of still more change." Under this pressure the government was forced to promise an extra Rbs200

billion (\$2.4 billion) of cheap credit for industry, plus Rbs120 billion for the oil business. It also had to postpone the rise in energy prices. According to the same article, "Mr Yeltsin's government has not abandoned reform, it just slid a few steps back".

In this period, an intense power struggle centred on the proposed new constitution. Deputies were incensed by Yeltsin's increasing reliance on government by decree. The conflict increasingly revolved around the parameters of executive and legislative authority. But this was merely a reflection of the struggle of underlying material interests. Yeltsin had been

hamstrung by the old constitution introduced in 1991. If he was to follow the dictates of Western imperialism, he would need to dispense with the parliament and assume far greater presidential Bonapartist powers.

In 1992 there was intense tooting and froing of drafts and redrafts of revised constitutions, each side attempting to jockey for supremacy. After the four-day extraordinary session of the Russian parliament Yeltsin faced humiliating defeat. The hardliners and their centrist allies in the congress voted to reduce still further the president's powers, overruling his attempt to introduce rule by decree, sacking his representatives in

the provinces, and demanding the formation of a new government of "national accord". Yeltsin hoped to finally break this deadlock through a referendum on his proposals which he scheduled for April 1993. His idea was to use the referendum as a vote of confidence--for or against Yeltsin. This was the method of the plebiscite--the classical method of Bonapartist politicians bidding for absolute power.

Imperialist pressure

Yeltsin was held up in the West as the great saviour of democracy--the man who stood on a tank to defend the rights of parliament. Now this self-same

parliament turned into his most deadly enemy. Those who stood against him were not political parties, but a coalition of rival groups and interests. Yeltsin had only two alternatives--either win over the decisive sections of the Congress, or else dispense with parliament itself. This the Congress could not tolerate. It was a fight to the death. The different factions in parliament could all agree on one thing: Yeltsin must be stopped. The managers wanted to halt the reform programme. The regional bureaucrats, who ran their Republics like feudal barons, wanted more autonomy and a weak centre, not a dictator. The military caste wanted to recover its lost prestige and privileged positions, and bitterly

resented the break up of the Soviet Union, the loss of Eastern Europe, and the humiliating dependence upon US imperialism on the world stage in general. The struggle between Yeltsin and the Congress was a graphic illustration of the unbearable contradictions in society.

The struggle came to a head in December, when Congress forced the resignation of arch-reformer Gaidar as prime minister. Yeltsin manoeuvred to gain time, replacing Gaidar with Chernomyrdin while preparing a counter-stroke. An uneasy compromise was arrived at, whereby Yeltsin accepted the loss of his chief henchman,

while Congress accepted holding a referendum in the spring. An agreement is only a piece of paper reflecting the balance of forces at a given moment. The aim of the referendum was, in theory, to work out a new constitution. The one in operation, left over from the Gorbachov period, had already been amended 300 times and was full of contradictions. In practice nobody paid a bit of attention to the constitution. What mattered was the relative strength of the contending forces. And that could only be measured in struggle, not in constitutional committees, though the latter can be--and were--used as weapons in the struggle.

Immediately upon concluding the

December deal, both sides commenced manoeuvring. Yeltsin decided to make a bid for absolute power, based upon rule by decree. In March 1993, Yeltsin drafted a decree on emergency rule but the constitutional court declared it unconstitutional. Khasbulatov, the speaker of the Russian parliament, set out to undermine Yeltsin, eliminating his powers one by one, and leaving him as a paper president, to be cast aside when the opportunity presented itself. By the end of the March Congress, Yeltsin only escaped impeachment by a paltry 72 votes, out of 1,003. Yeltsin walked out of the Congress, but only a few deputies followed him. He now put all his efforts into securing a majority in the April

referendum and holding new elections in October. The Congress voted to go ahead with the referendum, but added two questions of its own, "for or against Yeltsin's economic reforms", and also, "for or against elections for parliament and the presidency". In addition they laid down the norm that the referendum must get over 50 per cent of the total eligible to vote for it to be valid. Yeltsin managed to get the Constitutional Court to over rule this latter condition on his questions.

In a blatant attempt to bolster Yeltsin's position Clinton agreed to a US-Russian summit where he announced a \$1.6 billion US aid package, and pressed the

G7 to announce a further package ten days later. In April 1993, \$42 billion assistance was agreed by the G7 powers. On this basis, Yeltsin promised workers and pensioners increased allowances and an increase in the minimum wage as a bribe before the referendum. In the end, 64 per cent turned out to vote. It was announced that 58 per cent supported the president and nearly 53 per cent had backed his economic programme. There were widespread reports that Yeltsin had rigged the referendum vote which gave him a narrow majority. Rutskoi immediately dismissed the result: "There are 105 million eligible voters," he said. "Somewhere around 32 million

supported the president and his course. So between 71 and 72 million were either against or did not go to the referendum. There can be no talk of popular support."

Yeltsin then attempted to use his victory to change the constitution, neuter the Congress, and increase his presidential powers. After a bitter struggle the draft constitution was approved by the Constitutional Conference. Yeltsin lost no time in moving against his opponents. But this was no easy task. In May, he was humiliated when the trial of the August 1991 plotters collapsed. Matters were coming to a head.

In September 1993, after some hesitation, Yeltsin took the plunge and suspended parliament by decree, calling for elections to a new state Duma in December. He had concentrated power in his hands. Like all dictatorial rulers, he promised future elections under a constitution drawn up by himself. He acted as judge, jury, and executioner. Immediately Rutskoi denounced the decree as an "overt coup", and the Congress voted to impeach Yeltsin, remove him and confirm Rutskoi as president. This was tantamount to a declaration of civil war. Khasbulatov, the parliamentary speaker, appealed to all military and security chiefs to disobey all the "criminal" decrees and

orders of Yeltsin.

The Western imperialists rushed to Yeltsin's defence. Clinton declared that Yeltsin's actions were "ultimately consistent with the democratic and reform course that [Yeltsin] chartered". The imperialists were of course not concerned with "democracy" but only with their material and strategic interests. They were not concerned with the illegal dismissal of parliament. This was in sharp contrast to their howls of protest when "democracy" was flouted in the attempted coup two years earlier in August 1991. But then it was a question of the interests of the nascent capitalists being crushed or threatened.

It is always their class interests that dictate their home and foreign policy. Imagine the international outrage that would have broken out if the so-called hardliners had behaved in this fashion! The West provided the backing that Yeltsin needed. The time had come to forcibly deal with the Congress. In an open act of defiance, Gaidar was reappointed deputy prime minister and minister of the economy. The stage was set for a showdown. There was no going back.

However, Yeltsin's grip on the armed forces was very tenuous. A great part of the officer caste was openly hostile to Yeltsin's regime, humiliated by the

collapse of the Soviet Union and the grovelling before the West. Many soldiers had not been paid wages for months, and there were reports from the Pacific region that soldiers faced starvation. 80,000 officers had been discharged from the army in the previous year without jobs or homes to go to. Only 14 per cent of conscripts had responded to call up papers. General Pavel Grachev, the minister of defence, was originally ambivalent towards Yeltsin, but threatened by dismissal by parliament, he sided with Yeltsin.

Opposition to Yeltsin also came from the regions. When on the 18th September he met members of the Federal Council and

asked them to supplant the Congress until the new elections, 148 out of 176 regional leaders refused to support the proposal. Even the St Petersburg city council condemned Yeltsin's decree after rejecting an appeal from the city's mayor, Sobchak, a Yeltsinite. Yeltsin even failed to gain the support of the regions for a new constitution with a two-tier chamber, where the regions would form the upper house. They insisted, instead, on the current constitution. His proposals were seen as a trap which would effectively clip their powers and concentrate greater power in the hands of the presidency. They were promoting their own interests which at this stage conflicted with Yeltsin.

The storming of the White House

It was clear that the deadlock between the president and parliament could not last for long. The open split in the state raised the possibility of the disintegration of Russia itself. For many months, both Yeltsin and his opponents in parliament had been struggling for power. As Yeltsin commented in his memoirs: "The goal I have set before the government is to make reform irreversible." (Yeltsin, *op. cit.*, p. 146.) But that still remained a goal. In order to make it a reality, he must first remove the obstacle of the Congress. Plans were laid. He intended to occupy the White House on a Sunday when the building

was empty and simply announce its dissolution. This element of surprise was foiled when news of the attack filtered through to the Congress. They took immediate steps to blockade themselves in the building, thus beginning the siege of the White House.

Even after the Yeltsin decree of 21st September 1993, the outcome of the struggle over the fate of parliament was not decided. Both sides appealed to the masses. Khasbulatov and Rutskoi even appealed for strikes. However, as every worker knows, to organise a strike it is not enough to issue an appeal. For two weeks the deputies just sat in the White House, waiting for the masses to come to

their aid. If, instead, they had sent representatives to the factories to rouse the workers, explaining concretely the meaning of Yeltsin's programme and posing an alternative--even in a caricature Stalinist form--they would have got a response. But they were incapable of explaining the attack on workers' rights posed by Yeltsin, limiting themselves to appeals to "defend the constitution".

The fact that Rutskoi and Khasbulatov failed to repudiate the presence of fascist groups among the defenders of parliament, which was deliberately highlighted by the Western media, is a further indication of their tactical and

political bankruptcy. This played into Yeltsin's hands, enabling him to present the movement as a "communist-fascist" uprising. In a situation of such a critical character, energetic and determined action is essential. However, the leaders of Congress showed themselves unprepared. They hesitated, displayed passivity, waited in the White House with no evident plan of action, until Yeltsin cut off the electricity, water and heat. Unused to basing themselves on the masses, they were incapable of appealing to the working class, despite the existence of widespread discontent against Yeltsin. This is no accident. Both sides were terrified that an armed confrontation would spark off the

intervention of the masses, with unpredictable consequences.

The prevailing mood in the masses was "a plague on both your houses", although that was beginning to change towards the end, with a section of the most active workers participating in the demonstrations outside the White House. This was one of the reasons which forced Yeltsin to make an armed assault on the parliament. An indication of the hopelessly degenerate and corrupt nature of the bureaucracy was the fact that many of the deputies accepted Yeltsin's bribe to leave the White House, in exchange for severance pay and being allowed to keep their government apartments! In the

end only about 100 of the "hardliners" remained.

Despite the inactivity of parliament, it is clear its support was beginning to increase--on the 3rd and 4th of October, tens of thousands of demonstrators broke through police lines to reach the White House. It is probable that Rutskoi and Khasbulatov mistook this for a movement of the masses, and decided to "go for broke". As would-be insurrectionists, they made every mistake in the book. Having foreseen nothing and prepared nothing, they reacted passively to Yeltsin's initial aggression, but finally panicked, and attempted to seize power without any

plan or perspective. We then had the pathetic spectacle of Ruskoi's frantic telephone calls, after the assault had begun, appealing for the support and intervention of Western ambassadors--like appealing to Satan against Beelzebub! The ambassadors of the imperialist powers, reflecting the policies of their governments, backed Yeltsin to the hilt.

Instead of organising a mass movement to overthrow Yeltsin, Ruskoi and Khasbulatov, in effect, attempted to stage a putsch, basing themselves on a minority. Even so, the weakness of Yeltsin's position was shown by the fact that the rebels came close to succeeding.

In the absence of a movement of the masses, the army becomes the key element in the equation at such moments. Yeltsin's position remained extremely shaky up to the last minute. After the fall of Congress it emerged that the army chiefs only decided to intervene to save Yeltsin at the very last moment. Yeltsin was in a state of panic. When the president called for troops to storm the parliament building, they remained passive.

The seriousness of the position was confirmed by Yeltsin himself. "To put it mildly," he recalled in his memoirs, "the picture was dismal. The army, numbering two and a half million

people, could not produce even a thousand soldiers; not even one regiment could be found to come to Moscow and defend the city." (B. Yeltsin, *op. cit.*, p. 276.) When he entered the meeting at the defence ministry, he recorded: "Overall, I must say the generals' expressions were grim, and many had lowered their heads. They obviously understood the awkwardness of the situation: the lawful government hung by a thread but the army couldn't defend it--some soldiers were picking potatoes and others didn't feel like fighting." (*Ibid.*, p. 277.)

Yeltsin also confirmed in his memoirs the difficulty of getting his elite troops to take control of the White House. He was

forced to plead personally with its officers: "Deciding to take the bull by the horns, I barked, 'Are you prepared to fulfil the president's order?' In reply there was only silence, a terrible, inexplicable silence coming from such an elite presidential military unit. I waited for a minute and no one uttered a word. I finally growled, 'Then I'll put it another way: are you refusing to obey the president's order?' Again the response was silence. I cast my eyes over all of them--they were strong, strapping, and handsome fellows. Without saying good-bye, I turned on my heels and strode toward the door, telling Barsukov and Zaitsev, Alpha's commander, that the order must be

obeyed. Subsequently, both Alpha and Vympel (the elite troops) refused to take part in the operation." (Ibid., p. 12.)

This clearly shows the slender support Yeltsin had. The Congress leaders had important points of support in the armed forces, through the Union of Officers. Yet they failed to conduct agitation among junior officers--let alone the ordinary soldiers. They addressed their appeals to the army tops. Most of the generals stayed on the fence till the last moment, waiting to see who would win. Yeltsin could count on the support of only a small minority of hand-picked units. Even the support of these, as has been shown, was not firm. Yet, in the

absence of mass participation, the action of a minority of the army and KGB was sufficient to tip the balance in Yeltsin's favour.

Even at the decisive moment, only a small number of "loyal" troops participated in the crushing of parliament. The Daily Express (7/10/93) reported that: "Military chiefs were reluctant to obey orders to shoot at the parliament. The assault force was eventually cobbled together from the army, the interior ministry and sections of the KGB and police." According to a report of bourgeois economist Alec Nove, only eight officers could be found to lead the assault, for a large amount of

money, payable in dollars. Of these, two months later, two had already been killed and the other six were in hiding.

It is only natural that in his memoirs Yeltsin should try to portray himself as an energetic chief in complete command of the situation. But the truth was very different. As rebel forces seized the television centre, Yeltsin appeared to be paralysed. In the decisive moments of the attempted putsch, when the fate of this regime, and all Russia, was in the balance, Yeltsin disappeared. Western press reports describe him as in a state of panic, and probably drunk, shouting incoherently at his staff. Hardly the picture of a brilliant conspirator who

succeeded in cornering his enemies by a far-sighted stratagem! For all his bluster and bravado, Yeltsin was always no more than an upstart and a political adventurer. Although equipped with a certain animal cunning, and capable at times of a degree of audacity (often intimately connected with the need to save his own skin), he is devoid of any real understanding or perspective.

Eventually the White House was taken and the leaders of the October coup, Khasbulatov, Rutskoi, Makashov and Achalov, were arrested. It appeared that the deadlock between the two mutually antagonistic forces--the nascent Mafia bourgeoisie represented by Yeltsin and

the old nomenklatura represented by parliament--had been resolved by the former. The process of capitalist restoration had been given a new powerful stimulus. But even then the victory of the Yeltsinites had still failed to provide a definitive solution. To Yeltsin's dismay, the defeat of parliament was not of a decisive nature. Within a matter of few months, the struggle broke out again with the election of the Duma. A further blow came when both the August 1991 coup plotters and the leaders of the October 1993 parliamentary rebellion were amnestied without trial by parliament in February 1994. In a wry comment, Yeltsin says: "Now they have all been released, they

write poetry, they take part in demonstrations, and they are elected to the state Duma, the new parliament. Their cells in Lefortovo Prison have now been occupied by other people, thereby proving that the power of democracy is, alas, unstable." (Yeltsin, op. cit., p. 102.)

This did not prevent this great "democrat" from immediately banning opposition newspapers, suspending local councils, and outlawing opposition parties. This despite the fact that he already had complete control of the TV and radio. He also sacked regional governors and local councillors and suspended the Constitutional Court.

There was not the slightest pretence at "democracy". Yeltsin hoped to move further down the road of a Bonapartist dictatorship, with a pseudo-parliamentary facade. The Duma elections would simply provide him with a parliamentary fig-leaf. But, in the words of Robert Burns, "the best laid schemes of mice and men gang aft agley".

The precarious position of Yeltsin was revealed by the elections of December 1993 which followed the crushing of parliament. His victory over parliament was supposed to have settled accounts. It was for this reason that the imperialist powers fell over themselves to support

him. The Second International also added its voice to the chorus of support for Yeltsin, while making the obligatory nod in the direction of "democracy".

Yeltsin regarded the new elections as a formality. His side-kick, Gaidar was already organising the victory celebrations. He aimed to get a decisive victory for the reformist parties in order to push through a rapid move towards capitalism. However, the reformist camp turned out to be hopelessly split and impotent--Gaidar, Yavlinsky, Sobchak, Popov, Shakhrai, all put themselves forward in different parties and blocs, each vociferously denouncing the others.

In the event, the reformers' victory

celebration turned into a wake. They suffered a humiliating defeat at the hands of the Communist Party and its Agrarian allies, together with Vladimir Zhirinovsky's nationalists. This despite the fact that practically the whole of the media was in Yeltsin's hands. In fact, Yeltsin's position was even worse than before. He was probably tempted to try to disperse parliament but realised that it would be impossible to get the forces to do this. Even in October 1993, as we have seen, he barely managed to get the army's support. This time, Yeltsin would almost certainly fail. In the 1993 elections, no less than 63 per cent of the army voted for the nationalist Zhirinovsky. Almost three quarters of the

troops in the strategic missile forces voted for him, as did 93 per cent of the pupils of the Russian Military Academy. This indicated that Yeltsin's base in the army had declined drastically.

The imperialists were convinced that, after the crushing of the White House, the movement towards capitalism would be plain sailing. They deluded themselves that a capitalist Russia would be weak and divided, and easily dominated by the West. Now all these plans were in ruins. In any case, the idea that a capitalist Russia would be a semi-colony was always a piece of crass stupidity. If the movement towards capitalism in Russia were to be

completed, it would not end in a weak, semi-colonial regime, but in an aggressive and powerful imperialism, with a sizeable industrial base and a mighty army. Such a perspective must deprive the Western leaders of a considerable amount of sleep.

The Western media played up Zhirinovsky's result. He got 23 per cent of the vote, but deliberately played down the result of the Communist party and the Agrarians with a combined vote of over 20 per cent. Nevertheless, the tone of the leader-writers was one of alarm and despair. The imperialists, in common with the millions of racketeers, black marketeers and assorted riffraff

which forms the class basis of Yeltsin's support, look with indifference at the terrible human cost of "reform". Their only concern is their own interests.

The West's changing moods

From the beginning, the attitude of the international strategists of capital has been characterised by wildly swinging moods--shifting from euphoria to black pessimism and back again, like a manic depressive, or a drunken man who easily passes from boundless elation to maudlin tearfulness. These gyrations faithfully reflect the contradictory movement in the direction of capitalism in Russia, which has suffered many

setbacks, and is still not over.

The pessimism of the Western bourgeoisie was reflected in numerous editorials at the time. Thus, Professor Jeffrey Sachs, a Harvard University economist and adviser to Russian ministers, wrote in the Financial Times (8-9/1/94): "It looks as if it's pretty far down the road towards the end for the reformers. The return of the old guard is not inevitable still, but it now seems the most likely outcome." Another article in the same paper showed the complete demoralisation of the Russian reformers: "At the same time, a range of decisions taken by President Boris Yeltsin and Mr Viktor Chernomyrdin, the prime minister,

point to their acceptance of the need for a centrist economic course in which industries--including military plants--will be heavily subsidised and a strong push made to form a tight economic union with former Soviet republics under Russia's leadership. Reformers say such a course would destroy any hope of a financial stabilisation because of those republics' need for cheap credits and subsidised energy."

And again: "To drop reforms before they have been properly tried, or even introduced, they argue, could mean to lose everything. But now they fear it has not worked. They are privately preparing an exit from the political

stage."

"Alarm bells began ringing in Washington and other Western capitals (yesterday) over the increasingly clouded future of President Yeltsin's reform programme" wailed The Guardian (22/1/94). First Yegor Gaidar, the chief architect of the programme, and then Boris Fyodorov, the reformist finance minister were forced to resign. This meant there were no longer any leading 'reformers' left in the Cabinet. It was then that Prime Minister Viktor Chernomyrdin announced the end of "market romanticism".

Fear of a social explosion in Russia

provoked sharp internal divisions even among the imperialists. It was not an accident that US Vice-President Gore, who visited Russia after the election, publicly warned against pressing on with reform too fast. Even Robert Dole, the Republican leader of the Senate, and later presidential candidate, commented that: "We've put a lot of pressure through the World Bank and the IMF on Russia to move immediately to a market economy. Of course, the result has been chaos and a lot of inflation."

Nevertheless, the dominant wing of the imperialists have decided to continue to press on with the same medicine. The organ of British finance capital, the

Financial Times, in its editorial of the 7th January 1994, demanded "More shock, more therapy". "It has been obvious since the failed coup in August 1991 that reform in Russia would enjoy but a short window of opportunity. If the opportunity was let slip, the collapsed Soviet Union was likely to turn into a simulacrum of the former Yugoslavia, but in order of magnitude bigger. Mr Zhirinovsky's electoral success demonstrates that this danger is not a theoretical one." And the solution of the Financial Times: "If voters are calling for a return to the past, there is no remedy to offer. If they are calling for a better future, fast reform is the only remedyÉ They want more food. They

want an end to corruption. They want secure jobs. They want a currency they can trust. None of these things is achievable without reform."

The Financial Times, after the December 1993 election, published an editorial entitled "No Turning Back For Russia", demanding that the reform programme be maintained, irrespective of the social costs. But a few weeks later, it had to admit that the reformers had suffered a serious defeat: "It is still possible a reform course will again be taken. But the reformers say it is more likely that reform will fall victim to popular discontent, conservative pressure and their own inability to unite." (Financial

Times, 8-9/1/94.)

The strategists of capital knew that Yeltsin's regime represents a weak variety of Bonapartism. Their man in Moscow, sick and partially demoralised at that time, was absent from Moscow for long spells, even in decisive moments. These absences were not due to colds (the official reason) but to despair, only partially alleviated by habitual drunkenness. Yeltsin had already suffered two heart attacks, and was to suffer a third. Yet the West continued to cling to this old and sick man (it was frequently stated that he was already older than the average life span of a Russian male, which is now only

57) with a serious drink problem and a weak heart. This fact in itself shows the very fragile and unstable nature of the situation, from the standpoint of imperialism. The relationship calls to mind the well-known lines of Hillaire Belloc:

"And always keep a-hold of Nurse
For fear of finding something worse."

The pessimistic outlook of the international bourgeois in relation to Russia was expressed by John Lloyd in the Financial Times on the 22nd March 1994:

"As disheartening as any other fact for Russian ministers is the obvious truth

that, after more than two years of official reformism there is little to show in the way of domestic success or foreign confidence. No Western companies of size have made very large commitments to Russia. Trade has shrunk to levels where most countries can discount it as negligible: foreign bankers do not believe that Russia will pay back any real debt in the next five years; and the rouble is driving steadily down to the 2,000 to the dollar level." Now it is more than Rbs5,000 to the American dollar.

That is the frank assessment of an intelligent Western commentator. It hardly expresses much confidence in the

future prospect for capitalism in Russia. Lenin thought that the opening of Russia to the penetration of cheap foreign imports and investment would act as a stimulus for the developing Russian capitalists. But, as Lenin liked to say, "the truth is always concrete". Under these specific conditions, the abolition of the state monopoly of foreign trade has, paradoxically, led to a collapse of trade and a massive outflow of capital. In any case, even if normal trading relations could be established with the West, Russia would immediately come up against the limitations of the market in the period of the organic crisis of capitalism.

Western monopolies would be interested in certain parts of the economy--mainly raw materials, oil and gas. Paper, pulp, steel and aluminium also present tempting targets. They would like to exploit and rob Russia. Here are huge opportunities to obtain surplus value and super-profits, but it remains a risky proposition.

Russia finds itself isolated and shut out, despite all the nice words. Certain Eastern Europe countries are invited to join the European Union, but not Russia. Western imports of food and consumer goods are ruining Russian industry and agriculture. "Free trade" is all one way. This situation cannot continue

indefinitely. The underlying friction was shown on the 23rd February 1996, when the Russian minister of finance proposed raising tariffs on imports by an average of 20 per cent. The USA, EU and the World Trade Organisation all immediately threatened retaliation if such measures were undertaken.

While paying lip service to the need to integrate the economies of Russia and Eastern Europe into the world economy, teaching them the blessings of "free trade", in practice the Western economies are busy erecting trade barriers to keep out cheap imports from the East. The trade gap between the EU and Eastern Europe is huge and growing.

In reality, the EU is exploiting Eastern Europe for its own benefit. "This is breeding rancour in Warsaw, Prague, and Budapest over limited market access in Western Europe," commented The Guardian (1/1/94), "and exposing as hollow, in their view, Western preaching about the virtues of market economies."

Once more on the national question

Despite the crimes of Stalinism, the Soviet Union made great strides forward in dealing with the national question. Lenin pointed out that, in the last analysis, the national question is a question of bread. On the basis of the development of the productive forces

and the movement forward of society, the national question receded. Within the borders of the USSR were 15 republics, with 100 nationalities and 400 ethnic groups. Sixty million people lived in republics other than those of their ethnic origin. The linking together of the economies of the Republics made sense, and was in the interests of all the peoples. By contrast, the break-up of the Union, and the crazy attempt to sever the natural economic ties between the Republics, has had catastrophic results.

The old regime rested upon the premise of Greater Russian chauvinism; today the pro-bourgeois government sees the interests of minorities and small nations

as so much small change. The old bureaucracy, particularly the increasingly restive military caste, is pressing for an increasingly aggressive foreign policy. As we predicted, Russia has moved to reassert its control over all the former Republics of the Soviet Union. The right of self-determination is shown not to be worth the paper it is printed on.

The break-up of the USSR was not in the interests of any of the peoples. From an economic point of view it was a calamity. All the economies of these Republics were closely integrated with that of the Soviet Union. The newly independent states are therefore heavily

dependent on trade with Russia. At the time of the collapse of the USSR, Russia's exports to, and imports from, the other Republics were estimated to be approximately 30 per cent of its output. However, the inter-Republican trade of the Ukraine was equal to 60 per cent of its output, whereas that of Armenia was no less than 110 per cent. By way of comparison, Britain's trade with the rest of the EU was about 22 per cent of its output. The Republics do not possess sufficient hard currency to be able to trade extensively on the world market, and any attempt to do so would have a catastrophic effect on the economies of all of them.

By using its economic muscle, Russia can easily dominate the other states. Already it has compelled many of them to join the so-called Commonwealth of Independent States. Where economic pressure was insufficient, Russia has used military force to destabilise various Republics, notably Georgia and Moldova. A bourgeois commentator very nicely describes the tactics whereby Moscow advances its interests in the Near Abroad as they call the former republics of the USSR:

"As if by magic, secessionist movements have sprung up in many former Soviet Republics, all better equipped than the government they were opposing. A brief

period of civil warfare ensues, before Russia intervenes to 'separate' the warring parties and impose a peace which, invariably, involves the stationing of Russian forces.

Furthermore, most of the warfare starts and stops exactly when Moscow wants it to. The Abkhaz rebellion in Georgia, for instance, fell strangely silent the moment Georgian President Edward Shevardnadze signed a peace treaty that virtually conceded his country's independence."

By these means, Moscow forces various Republics into humiliating "defence treaties". Russian intervention in the Georgian republics of South Ossetia and

Abkhazia enabled Russia in March 1994 to sign a deal resurrecting Russian military bases on Georgian soil. The same was done in Moldova in July 1992, and again in North Ossetia in November of that year. It was from here that Russia launched its second invasion of Chechnya in December 1994. The whole of the Caucasus is now back under Russian control, Moldova voted against reuniting with Rumania, and is completely subservient to Moscow, as is Central Asia. Belarus has opted to enter a close relationship with Russia, which amounts to a fusion. This was ratified in a referendum where 82.4 per cent of voters came out in favour of economic union in May 1995. Also around three

quarters of those voting supported making Russian the official state language and bringing back Soviet-era national insignia.

In effect, only the Ukraine and the Baltic States maintain some kind of independence. But the present situation is extremely fragile and cannot last. Even in the Baltics, the painful experience of capitalism is having an effect. This was shown when the fiercely independent people of Lithuania voted out the nationalist government of Landsbergis, and elected the former Communist Party, which, among other things, stands for closer links with Russia. The fact that the CP leaders

continued to press on with the "Reform", doing the dirty work of capitalism meant that this was thrown away. But it shows that in the Baltic states also, the workers are seeking a class alternative. In Latvia also, the leftwing Democratic Party did well in elections, as well as anti-Russian Peoples' Movement for Latvia, which will further inflame Latvia's ethnic-Russian minority. This makes up a third of the population, but strict citizenship laws mean many are denied a vote.

Ukrainian independence

The Ukraine is the only republic which might have the strength to resist Russian

pressure, with 52 million people, a GDP the size of Belgium and the third largest army in Europe. But the Ukraine, also, will be unable to resist Russia's embraces. The Ukrainian economy is in a worse mess than Russia's. So much so that a large part of the population, especially in the East, wants to join with Russia. That is the case, not only in Crimea, which subsequently voted in a pro-Russian government, but with the all important Donbass coalminers.

The Ukraine has practically achieved independence, but is still tied to Russia by economic factors, and a significant Russian minority (21 per cent) within its borders. Without access to Russian

markets and raw materials (oil, minerals, etc.) the economy would collapse. The cutting off of energy by Russia had disastrous effects on the Ukraine, which if it had continued would have doomed the country. Even if it succeeds in establishing some minor markets in the West, this could not compensate for the loss of the Russian market. On the other hand, without the resources of the Ukraine, the Russian economy would also be in difficulties. The Ukraine was the bread basket and industrial locomotive of the former Soviet Union, occupying a position far more important than the Baltic States or the Caucasus.

The strength of the Ukrainian armed forces is also relative. No fewer than 80 per cent of its officers are Russians. Furthermore, the Ukraine is entirely dependent on Russia for oil and natural gas and is deeply in debt to its neighbour, a fact they were reminded of when Moscow interrupted the supplies causing disruption to both industry and private consumers. If supplies of gas were cut off altogether, one-third of Ukrainian industry would be shut down. In practice, Ukraine cannot stand alone against Russia. Probably, it will have to come to an arrangement, along the lines of Belarus. It was no accident that within a week of the 1991 attempted coup, Yeltsin announced the possible revision

of the borders of the Russian Republic. And if Ukraine cannot maintain itself, still less will the tiny Baltic States be able to. The West may grumble and utter veiled threats, but in reality it is powerless to do anything about it.

The move towards capitalism in the Ukraine has been extremely slow. The majority of the economy remains in the state sector. Although the West gave \$5 billion, President Kuchma appears to be dragging his feet in face of large-scale opposition from the bureaucracy, who are intent on holding onto their power. The currency has experienced massive devaluation, with hyper-inflation and the flight of capital of between \$10 billion

and \$12 billion since independence. As the Financial Times (30/8/95) commented: "Four years after independence, Europe's second largest country after Russia has yet to stabilise the economy, let alone see the benefits of reform. After a good start, the economic overhaul faces mounting opposition from the powerful industrialists and bureaucrats who depend on the patronage of the state." The pressures will increase for a return to the "good old days" and closer links with Russia.

In an attempt to appease the military caste, Yeltsin has raised the issue of protecting the 25 million Russian-speakers who live outside the borders of

the Russian Federation. If this was not sufficiently clear, it was spelled out by Valery Galeyko, leader of the Russian-speaking association of Pavlodar in Kazakhstan: "We need dual citizenship to restore the destroyed Soviet Union," he told the Financial Times (20/12/93).

Already most of the former Republics have come back into Russia's orbit. As The Economist (18/9/93) pointed out: "Six CIS members have been forced into signing defence treaties with Russia. Five have volunteered to transfer sovereignty to Russia in the hope of reviving their economies through reintegration with it. Non-members are asking to join the CIS, bringing them into

Russia's clumsy embrace. Of the 15 republics of the former Soviet Union, only three on the Baltic--Estonia, Latvia, and Lithuania--are managing to make a clean break."

This agreement goes further than a free trade zone. It means, in effect, that these Republics have "ceded monetary sovereignty to Russia, rebuilding the rouble zone shattered last year". In fact, Belarus has unified its monetary system with Russia's. Thus, everywhere, Russia is reasserting itself in its old spheres of influence.

Despite talk of "compromise", Yeltsin opposed the entry of Eastern European

states into NATO, demanded the right to deploy more tanks along Russia's southern borders and threatened to break the agreement on conventional disarmament in Europe. In addition, he offered Russia as the "guarantor for peace" in the Former Soviet Union. "The moment has come," announced Yeltsin in March 1993, "when the respective international organs should grant Russia special powers as the guarantor of peace and stability on the territory of the former Soviet Union.&" (Izvestia, 4/3/93.) All this is a reflection of the rising power of the Russian military. Despite the acute financial crisis, defence spending in Russia virtually doubled in 1993, as a percentage of

GDP, from 4 per cent in 1992 to 7.5 per cent.

In the event of the re-establishment of capitalism in Russia, we would see the rise of a ferocious imperialist power. Russia cannot be democratic and capitalist at the same time. A military dictatorship in Russia would inevitably embark on an aggressive policy of expansion, on the lines of Tsarism in the past. Apart from the Ukraine, which could also end up under the domination of a military dictatorship, the "independence" of the former states of the CIS would be largely fictitious. Inevitably they would fall under the control of Russian imperialism, by one

means or another. Under capitalism, the Republics would not be able to resist the pull of the powerful Russian economy, which could draw them inexorably into its orbit. In any case, in all likelihood, a coup in Moscow would be followed by a coup in Kiev.

A deal would probably be arrived at to form a kind of condominium of Slav states, Russia, the Ukraine, and Belarus, which would jointly dominate a reconstituted Union. Already the Ukraine and Belarus have entered into an agreement with Russia to set up a customs union. The other republics have all followed suit. The granting of a greater measure of autonomy to the

Ukrainians would be a small price to pay. It would be an uneasy compromise, but could hold for a time. A federation of genuinely democratic workers' states is the only viable solution for the peoples of the former Soviet Union. Before the war, Trotsky understood the problem of Ukrainian unity, and the aspirations of the Ukrainian people for a state of their own. Stalin united the Ukraine bureaucratically, under the boot of the Moscow bureaucracy. What was lacking was democracy and genuine autonomy for the Ukrainian people. That is why Trotsky put forward the slogan of an independent Soviet Socialist Ukraine as a step towards the genuine unification of all the peoples of the USSR on the

basis of workers' democracy. That is the real way forward.

Chechnya's struggle

The Caucasus is a vital area for Russia for both economic and strategic reasons. The Chechen ruling clique under the late General Dudayev took advantage of the general confusion following the break-up of the USSR in 1991 to seize control and declare independence. It was clear from the beginning that Moscow would never allow this. As soon as he was able, using the pretext of a threat to the unity of Russia, Yeltsin ordered the invasion of the Chechen republic to topple the "gangster regime" of President

Dudayev. Without doubt, the Dudayev regime was heavily involved in drug trafficking and illegal arms deals, as well as having links with the Mafia in Russia. But that never affected Yeltsin's outlook in the past.

He has been forced to get tough with Russia's 21 internal republics which have moved towards independence since the collapse of the USSR. It was also intended as a warning to other ethnic republics to fall back into line or face the consequences. Although the ethnic republics make up less than 20 per cent of the population of the Russian Federation, they control over 50 per cent of the territory. "Consequently," reports

The Economist, "the disintegration of Russia could lead to a succession of Bosnias. More likely, it would upset Russia's generals--some of whom have said that, in their eyes, upholding the integrity of the country is their main duty."

However, the Russians got more than they bargained for in Chechnya. After all, the Chechens were fighting a defensive war on their own territory, whereas the Russian soldiers were fighting a war they did not believe in. They felt like a foreign army of occupation and were treated as such. Given the demoralisation of the Russian army and the ferocious resistance of the

Chechens, Yeltsin found himself bogged down in a bloody guerrilla war.

Marxists are in favour of the right of self-determination of the Chechens, with autonomy within a socialist democratic united Russian federation. That means that we support the Chechen people, but not the reactionary ruling Chechen clique.

The humiliation of the Russian army in Chechnya is a striking indication of the degree of chaos and demoralisation that grips the armed forces. An article in The Sunday Times (14/4/96.) painted an astounding picture of an army in a state of virtual disintegration, with the troops on the verge of mutiny:

"The desperation of Russian parents and their sons to avoid the draft is matched only by the determination of the recruitment centres to fulfil their quotas. They need to deliver 200,000 men by the end of JuneÉ Kovtun estimated that some 60 per cent of the potential recruits she sees suffer from chronic illnesses, many of them psychological and nervous disorders, that make them unfit for military service. 'The worst thing is that many of the parents of ill boys then refuse to have their sons treated,' said Kovtun."

Clearly, former General Alexander Lebed, who was brought into the government by Yeltsin, thought he would

get a political advantage from pulling the army out of Chechnya, and he was not wrong. An opinion poll published in Nezavisimaya Gazeta (16/1/97) claimed that 80 per cent of the population supported the peace deal, and that Lebed was the most popular of Russia's politicians (58 per cent as against only 23 per cent for Yeltsin.) But it is equally clear that this was not the position of either Yeltsin or the general staff. Probably this manoeuvre was the spark which provoked the movement to get rid of this ex-general.

At the moment of writing, Yeltsin has withdrawn the Russian army from Chechnya and is attempting to arrive at

some sort of compromise. This withdrawal was the result of the feebleness of the Russian military effort in Chechnya, and the stubborn resistance of the Chechens. But there is no question of Moscow allowing genuine independence for Chechnya, either under a capitalist or Stalinist regime. They might arrive at some kind of an uneasy autonomy, but Moscow cannot accept outright independence since this would act as a magnet for all the other peoples of the Caucasus who would then demand the same terms. In view of the enormous economic and strategic importance of the region for Russia, the generals could never allow this to happen. This means that conflict is inevitable in the future,

and Russian public opinion can easily be manipulated by provoking an incident in which Russian nationals are attacked. This method will be used not only in Chechnya but in other Republics if Moscow decides it to be necessary.

Central Asia presents a different case. Of all the peoples of the former Tsarist empire, they gained the most from the October Revolution. In place of feudal backwardness came industry, communications, universities and the equality of women. Illiteracy was largely abolished, but in place of Asiatic barbarism came Stalinist barbarism. Nevertheless, even in a caricature of a workers' state the peoples of Central

Asia made colossal advances, not only in comparison to the past, but also when compared to the "independent" Asian capitalist regimes to the South.

However, national oppression remained. Under Stalinism, all decisions were taken at the top by the Great Russian elite in Moscow.

Terrible consequences flowed from the irresponsible application of bureaucratic planning in Central Asia. The rape of resources of Central Asia, the drying up of the Aral sea, the disaster of cotton monoculture in Uzbekistan and the general degradation of the environment through the indiscriminate use of pesticides, etc. is an appalling heritage

of Stalinism. The Russian bureaucracy ruled through the medium of their Central Asian satraps, if anything, more venal and degenerate than their masters in Moscow. The restoration of capitalism would be an unmitigated disaster for these Asian peoples, turning them into semi-colonies of Russian imperialism, vying for control with the lesser imperialisms of the area: Iran, Turkey, Pakistan and India.

The emergence of nationalist elements was inevitable given the history of the last seventy years. The bureaucratic attempt to suppress religion by force was bound to fail. Now there is the re-emergence of pro-Islamic elements in

Central Asia, but that is not the dominant trend. Whereas the Poles and Czechs compare their living standards to that of Germany, the Uzbeks and Tadjiks compare their situation to that of the masses in Iran, Pakistan and India, to the disadvantage of capitalism. One only has to compare modern Tashkent, with its industry, high level of education and women who study and walk freely in the streets, to the barbarism that has been unleashed on Kabul, or Karachi for that matter, to see the difference.

The movement towards capitalism in the former Soviet Union invests the national question with explosive dimensions which threatens to plunge the whole area

into bloody chaos. The full horror of the situation was brought out in the following report:

"Nearly 9m people have moved within or between the 12 countries of the former Soviet Union's Commonwealth of Independent States since 1989 in what a report published today described as 'the largest, most complex, and potentially most destabilising' population movements in any region since the second world war. One in 30 of the total CIS population has been affected by this mostly involuntary and continuing migration, the report says. In the five Central Asian republics one in 12 inhabitants has moved since 1989.

"ÉAbout 3m people have fled seven conflicts in CIS countries since 1988, when Armenia and Azerbaijan went to war over the enclave of Nagorno-Karabakh. The latest conflict, in the breakaway region of Chechnya, has displaced about 500,000 people. The break-up of the Soviet Union into 15 separate states left between 54m and 64m people--a fifth of the total CIS population--outside their 'home' territories. More than 3m of these people have 'returned,' mostly to Russia. Between 1936 and 1952, Stalin deported more than 3m people, including entire populations. Among them were Volga Germans, Crimean Tatars and Meskhetians from Georgia." (Financial

Times, 23/5/96.)

Both Stalinism and capitalism entirely failed to solve the national question in Russia and the former Soviet Union. Only by guaranteeing equal rights to all the peoples could a lasting fraternal union be established. But this is impossible under Stalinism or capitalism. Only a return to workers' democracy offers a way out for the working class and the oppressed nationalities. Such a regime would return to Lenin's policy of national emancipation and fraternal relations between the peoples, with all rights for the national minorities. It was this policy that prevented the break-up of Russia

after the October Revolution, but cynically betrayed by Stalin. It is the task of the workers of Russia to re-establish the genuine ideas of socialist internationalism as the only solution to their problems. Only a return to the genuine principles of Leninism can point the way to a just and lasting solution on the basis of a free union of the peoples within a socialist federation.

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Russia:

**from Revolution to
counterrevolution**

Part Ten:

A new turning point

The December elections

The elections of December 1995 were an important stage in the unfolding of events. What tendency did they reveal? At any rate, not one in the direction of capitalism! There was a massive vote of no confidence, not only in Yeltsin, but in the market and all its works. True, an election result is never decisive, and this one least of all. The Bonapartist constitution leaves all power in the

hands of Yeltsin and his clique. Nothing has been solved. But that is precisely the point. The problem of establishing a viable capitalist regime in Russia has not been "solved". The December election was a clear indication of the hurdles that the nascent bourgeoisie must clear before it does so.

The December elections in Russia represented a body-blow to the supporters of capitalist restoration in Russia. The Communist Party got 22 per cent of the votes in the constituencies where candidates were elected on the basis of party lists. It also did well in those which elected individuals (single member constituencies). Together with

the Agrarians and other parties describing themselves as Communists, they received about one-third of the vote.

Zhirinovsky's Liberal Democratic Party (LDP) saw its votes in the party-list elections halved from 22 per cent in 1993 to 11 per cent, winning only one seat in the single-member constituencies. This indicates that a growing number of people have seen through his "populist" demagoguery and recognised the reactionary nature of the LDP. Alexander Lebed got only 4 per cent. However, the most shattering defeat was reserved for those parties and politicians who openly espoused the cause of the market

economy reform, which has led to a catastrophic collapse of production and living standards.

Claims of the government that the economy had improved rang hollow to millions of Russian workers who are owed two or three months' wages. The voters took their revenge by massively rejecting the pro-capitalist parties. "Russia's Choice", the inappropriately-named party of the extreme pro-marketeter Yegor Gaidar, was wiped out. It got less than 5 per cent, and Gaidar lost his seat in the Duma. Grigory Yavlinsky's Yabloko did better with 7 per cent, but he had been demagogically attacking the government's reform programme for

months. Most damaging of all for Yeltsin and the West was the humiliating result of the party of Prime Minister Viktor Chernomyrdin, "Our Home is Russia". This party, specifically set up to defend the government, with access to huge sums of money and unlimited access to the media, got less than 10 per cent.

When the final result was published, the CP and its allies were the largest group by far in the Duma, with 190 seats out of 450, followed by Zhirinovskiy with 51, and Yavlinskiy with 45. "Our Home is Russia" has only 55 seats, which was a very weak base from which to campaign for the presidential election.

The imperialists reacted with alarm to these results, which represented a massive vote of no confidence in market reform, precisely when the West was pressing Yeltsin to hurry the programme through, in a desperate effort to make the process irreversible, regardless of the social consequences. The election results entirely confirm the perspectives that the movement towards capitalism, far from being completed, was in serious trouble. After bleakly reviewing the December 1995 elections, the Financial Times (20/12/95) commented: "Like the leaders of the French revolution, Mr Yeltsin and the country's quarrelling reformers today have reason to fear that Russia's democratic revolution might

devour its children in turn."

Western economists have roughly calculated the nascent bourgeoisie at about 10 per cent of the population (this would be an extremely broad definition, including all sorts of petty entrepreneurs, whereas the big capitalists are a tiny handful). Together with their families and dependants, and all other layers who are somehow linked to the market such as drivers, street traders, self-employed people, servants, private bodyguards (there are 600,000 of these alone) and criminals, we are talking about maybe 20 per cent of the population. This is approximately the percentage of votes won by all the pro-market parties in the

December elections. It is a not inconsiderable portion of the population, but not enough to win an election.

Horried by the results of the December 1995 Duma elections and pessimistic about the prospects for the presidential elections in case the old Stalinists made a comeback, the clique around Yeltsin campaigned hard for both elections to be cancelled and for Yeltsin to rule by decree. Their public declarations clearly reveal the real attitude of the nascent bourgeoisie towards "democracy". For them, democracy is simply a device to be used when it suits their class interests.

"If people tell me that for the sake of symbolic democracy I must give up my property--well democracy is not worth that much to me," said Oleg Kisiliev, chairman of the Impeks-bank, an export company active in the gold trade. He said he and his associates fear that a communist take-over might confiscate their property. "I would very much like to live in a free country, but I very much fear that the path to freedom could kill us," said Kakha Bendukidze, another member of the *nouveaux riche*. The Financial Times (7/11/95) reported: "Mr Bendukidze and his allies say in the event of a communist landslide they are preparing to leave the country with as much capital as they can take with them."

The article continues: "Democracy and capitalism are becoming antithetical in Russia. Until markets bring prosperity to the majority of Russian voters, democracy will continue to be a threat to the country's newly rich elite."

The presidential elections of July 1996 represented another turn in the situation in Russia. On the surface, the result was a massive victory for Russian capitalism. Despite the frightful collapse in living standards, crime, corruption and Mafia capitalism, Yeltsin won. This was a heavy defeat for Stalinism, not socialism or genuine communism, but it will usher in a new period of convulsions for Russia. The underlying

processes remained as contradictory and explosive as before. The result resolved nothing.

According to the Central Electoral Commission, Yeltsin got 53.10 per cent to Gennady Zyuganov's 40.41 per cent. If these figures are correct, this means that Yeltsin increased his support from 26.7 million voters in the first round to 38.9 million in the second, while Zyuganov's vote went up from 24.2 millions to 29.3 millions. In percentage terms, Yeltsin increased his vote by almost 19 points, while Zyuganov's share went up by a little more than eight. Despite everything, the CP still made a strong showing. Zyuganov defeated Yeltsin in

the "Red Belt" area stretching from Tambov and Voronezh, south of Moscow, to Siberian regions such as Novosibirsk, Omsk and the coalmining area of Kemerovo. We can assume that the CP maintained its support in the other mining areas, and in the workers in heavy industry in general. Forty per cent is a considerable base in society, and this would undoubtedly include the decisive layers of the industrial workers, as well as the rural areas.

Marx pointed out long ago, the peasant also has his rational side, and is able to distinguish between what is in his interest and what hurts him. This is clearly shown in Poland, where the CP

has a strong base among the small peasants, who have understood that, for them, capitalism spells ruin. In any case, in Russia, the rural population no longer consists of peasants. They are rural proletarians, who have no interest in becoming transformed into small proprietors. The prospects for Russian agriculture under capitalism are grim. The former "granary of Europe" is importing large quantities of food from the West. The victory of Yeltsin will mean that this situation will continue, and with it the further decline of Russian agriculture.

The response of the bourgeois to the result was euphoric. Russian financial

markets soared, but then fell back as it became clear that Western investors were not participating in the buying spree. The Western capitalists, while breathing a sigh of relief that Zyuganov was not elected, were still worried about the future.

Were the elections rigged?

Can these results be the result of fraud? Since the elections, there has been more than sufficient evidence pointing to the existence of widespread ballot rigging. The Conference on Security and Cooperation in Europe (CSCE) observers found evidence of widespread electoral fraud. Even before the first round, the

then defence minister Pavel Grachev announced that sailors in the fleet outside Russia had voted "unanimously" for Yeltsin. Even more incredibly, Yeltsin's highest vote was supposed to have come from Chechnya--64.1 per cent--a remarkable result for a man who had ordered the bloody war resulting in the mass slaughter of the Chechen people and the reduction of their homeland to ashes!

Andrei Kolganov and Alexander Buzgalin, two leftwing economists at Moscow State University, state that "an element of fraud cannot be excluded (though in the view of experts, this could hardly have exceeded 3-5 per cent)". If

we assume that ballot rigging amounted to 5 per cent of the votes, Yeltsin's majority would be cut to a bare minimum. However, since it is notoriously difficult to obtain precise figures in cases of electoral fraud, the estimates of the "experts" may understate the real position. Socialist Boris Kagarlitsky implies that fraud was more widespread than this. He writes:

"The second round Russian election began inauspiciously for the authorities. Throughout the morning the population of St Petersburg, a city considered a major stronghold of the present regime, simply failed to turn up at the polling stations. People were clearly sick of

elections. By 3pm only about 4 per cent of electors had voted. A low turnout was also evident in other regions where Boris Yeltsin had come out ahead in the first round. Something close to panic broke out in the president's campaign team. A state television announcer let slip the news that 'catastrophic moods' had seized hold of the campaign staff.

"After 4pm, however, something happened. As if someone had waved a magic wand, the low turnout was everywhere replaced by a high one, in some places exceeding the results of the first round. If we are able to believe official reports, the citizens of Russia turned up as a body at the polling

stations, and in no less united fashion, voted for Yeltsin. The more remote and inaccessible the region, the greater the support for the president. The people of the Chukotka peninsula in the far north-east showed particular enthusiasm for Yeltsin, giving him 75 per cent of the vote--a remarkable result, especially if we consider that in the heat of the election campaign the authorities had forgotten to ship foodstuffs to Chukotka, and the danger of starvation hung over the region.

"The people of Chechnya also voted en masse for Yeltsin; obviously, they had recovered after being bombed by warplanes of the federal forces. It is true

that journalists were unable to find many of the polling stations, but totals of votes recorded at these stations were nevertheless to be found in the offices of the republic's electoral commission. The inhabitants of Daghestan, who voted overwhelmingly for Communist candidate Zyuganov in the first round, had evidently changed their minds ten days later, when they voted for Yeltsin. The official press attributed this to explanatory work carried out by local leaders. Similar explanatory work had been performed in Bashkiria and Tataria. Despite all these strange goings-on, it would be wrong to speak of widespread fraud in the elections. More likely, the authorities 'adjusted' the results

somewhat. A small majority for Yeltsin was thus transformed into a substantial one; the president was re-elected with 54 per cent of the vote compared to about 40 per cent for Zyuganov."

The Guardian (5/7/96) makes out a similar case: "There were some startling pro-Yeltsin anomalies in the Red Belt, suggesting either the powerful personal influence of local bosses in ethnically-based regions or fraud.

"The most suspicious result was in the North Caucasian Republic of Daghestan, long a bastion of Communist support. In June, Mr Zyuganov won 66 per cent of the vote, against 26 per cent for Mr

Yeltsin, with Lebed barely registering. This week, Mr Yeltsin's vote shot up to 51 per cent, with Mr Zyuganov down to 46.

"Almost as dubious was the result in the oil-rich Volga republic of Bashkortostan, where a largely Muslim population traditionally backs the Communists. How a Zyuganov lead of 42 to 35 per cent in June turned into a Yeltsin triumph of 52 to 42 per cent this week is a mystery."

Before the election, Zyuganov had warned of the danger of fraud. After the result of the second round was declared, he pointed out that: "In Daghestan we got

60 per cent last time, and now they say we've lost there. I want to figure out how that could have happened in the last ten days."

The Italian paper La Stampa, which is generally considered to be in close contact with the reality of Russian political life, and evidently has excellent sources, published an article on the 6th July 1996 entitled "Fraud--here is the proof". Analysing the results of the first round, it concludes that: "In any other country, these figures would have caused a scandal of international proportions, whereas in Russia they circulate in *samizdat*." The figures referred to are taken from the Autonomous Republic of

Tatarstan. They prove conclusively the existence of massive fraud.

La Stampa's correspondent had access to the voting figures given at different levels. At the lowest level, the Local Electoral Commission represents 60 polling stations. These results are then submitted to the Regional Electoral Commission (in this case, Tatarstan), which finally sends them to the Electoral Commission of the Russian Federation. La Stampa article shows that the results do not add up. Votes were systematically subtracted from all other candidates, and transferred to Yeltsin's list. For example, in one area of Tatarstan, the discrepancy was as follows:

real vote

official vote

Yeltsin

171,000

207,000

Zyuganov

68,000

59,000

Lebed

35,000

25,000

Other areas showed similar discrepancies. La Stampa concludes that, if this was the case in Tatarstan, there is no reason to suppose that it was any different elsewhere. It further concludes that such fraud could only be carried out with the participation of a large number of functionaries right up to the top government level, where no checks were carried out. It is unthinkable that the Central Commission was not aware of this. In other words, the ballot rigging was organised at the

highest level. The article ends with the following question: "*Does this mean that the Communists, in reality, won the first round?*"

There is no doubt that Yeltsin rigged the vote over the referendum on the constitution in April 1993. Even bourgeois commentators accept that. So, if it looked as if Zyuganov was going to win, there can be no doubt that Yeltsin supporters would have resorted to massive ballot rigging to fix the result. The Russian bourgeoisie and the West could not permit Zyuganov to win. In the words of The Times' Moscow correspondent Bruce Nelan, "it would have been a disaster for all concerned

had the Russians elected Zyuganov? In the end they voted for the lesser evil". However, the same correspondent warns against drawing too optimistic conclusions: "There are still serious problems in Russia that need to be resolved. The Western idea that the problems will all disappear with the re-election of Yeltsin is simply wrong."

During the campaign, the so-called free press and television behaved in a manner so depraved that it made the Western gutter press look quite demure by comparison. Even the Western pro-Yeltsin commentators were forced to express their discontent at the way the media favoured the president. The

Economist referred to "a slavishly pro-Yeltsin bias in the Russian media".

These facts show the hollowness and hypocrisy of the Western claims that Yeltsin stands for "democracy".

On the role of the media, even the main international observer team, organised by the CSCE was obliged to state:

"Not only was there a significant imbalance in candidate Yeltsin's favour in the amount of coverage but also his campaign was generally shown in positive terms, compared to other candidates, in particular candidate Zyuganov, who tended to be shown in negative terms."

US observers organised by the International Republican Institute made the same point:

"The group of American observers were also astonished, said the senator, by a situation when the independent mass media so obviously supported the re-election of the incumbent president."

The observers found that in the six weeks preceding the first round of voting, President Yeltsin received roughly 53 per cent of the time devoted to the election in news and current affairs programmes. Zyuganov received 18 per cent of the time but this was overwhelmingly negative and designed

to frighten voters off.

In an article published in the Morning Star (9/7/96) Renfrey Clarke, a prominent leftwing commentator on Russian affairs, gives a whole series of examples of the methods used to bribe the media into supporting Yeltsin. He points out that "though extensively privatised, the national television networks still depend heavily on the government to subsidise their operations. State control over the print media is looser but still considerable.

"Again, the heads of the main newspaper organisations consider themselves well served by Yeltsin and clearly needed

little prompting to direct their resources to getting him re-elected."

Papers like Moskovsky Komsomolets and Vechernaya Moskva published slanderous articles, telling all kinds of lies, such as the allegation that the Communists would "bring Moscow to its knees in six months following an election victory". They would "economise on city expenses by allowing only Russian products to enter the country's capital" and bring "a mass flood of depraved, unfortunate provincials". The English language Moscow Times, reported the deputy editor of Vechernaya Moskva, Vyacheslav Motyashov as saying: "Of

course we ran that article to get people to vote for Yeltsin--who else?"

Gleb Pavlovsky, a former journalist and now general director of the Foundation for Effective Politics, was himself involved in distributing pro-Yeltsin articles to the Russian press. He estimated that 1,000 journalists in Moscow alone were on the take, "including an elite group of perhaps 50 big name reporters who received \$3,000 to \$5,000 per month on top of their other income for writing articles favourable to Yeltsin or other candidates".

After the first round the CSCE observers demanded an improvement in the second

round. "It is important that the shortcomings mentioned above in the behaviour of the media, the conduct of the election campaign and the polling day procedures be addressed as a matter of urgency."

In reality, the reverse was the case. All the abuses of the first round were deepened in the second. The Daily Telegraph reported, for example: "The selection of news items is even more flagrant. Yesterday Viktor Ilyukhin, a senior Communist who heads the security committee of the lower house of parliament, summoned reporters to see a tape of police questioning a banker who admitted taking \$500,000 from the

Finance Ministry and giving it to two members of the Yeltsin campaign team. The tape failed to find a place on the early evening news on the Russian Public Television, the most popular channel."

So distorted was the TV coverage, that even news of Yeltsin's illness was suppressed to a large extent. As Tony Barber commented in *The Independent*: "Clearly, the inability of one of the two presidential candidates to perform his duties would be likely to have a decisive influence on the outcome. So the Russian media simply hushed it up."

Constanze Krehl, head of the European

parliament delegation observing the second round said: "It is really clear that Mr Yeltsin has more than 400 points of positive coverageÉ and Mr Zyuganov has minus 300." Yet despite all this, the "democratic" observers from the West were quite prepared to give the Russian elections a clean bill of health!

Why the Communist Party lost

These "democrats" resorted to every kind of trickery, bribery and corruption to stay in power. In order to ensure that his supporters did not go off to their summer-houses (dachas) on voting day, Yeltsin changed the day from a Sunday to a weekday, an act that was quite illegal.

But so what? An eyewitness account from Russia, which reached us on the eve of the first round, describes the atmosphere surrounding the campaign thus:

"There is an absolutely unprecedented and extremely aggressive anti-communism campaign going on in all possible thinkable ways, not just on TV and radio. Apparently, there are free newspapers distributed in every house, called 'God Forbid,' in which all sorts of threats of communism pronounced (such as a list of Zyuganov-Hitler comparisons, trying to match statements made by each, etc.). To target younger generation, there are concerts of popular

music, involving famous singers, are taking place under such slogans as 'Yeltsin is Our President.' Since it is not still enough to convince everyone, plenty of free T-shirts and baseball caps are given away in such concerts. Of course, the older generation, who still remember what life was like before, represent much more difficult target for him. But even there he seems to manage OK, mainly by pure bribery. Suddenly, plenty of money has appeared from somewhere, and he seems to be very happy to give everyone a nice present. Schools are getting computers, towns receiving huge credits for solving transport and environmental problems, factories also receiving 'bursts' for modernisation and

even some individuals apparently 'deserved' free cars."

However, none of these factors is sufficient to explain the results of the election. The main reason why the CP was defeated was because they did not put forward a democratic socialist alternative for the workers and the people of Russia.

After generations of totalitarian bureaucratic rule, broad layers of society do not want to go back to the Stalinist past. Even when Yeltsin's rating in the polls fell to 5 to 10 per cent, there were still more than 40 per cent of voters who declared that they would not

support a presidential candidate of the Communist Party of the Russian Federation (CPRF) under any circumstances. If we exclude the nascent bourgeois, their dependants and hangers-on, this figure still means that millions of workers and youth, who are undoubtedly hostile to Yeltsin and capitalism, have also decisively rejected Stalinism. Only the democratic, internationalist banner of genuine Marxism can win over these layers. By contrast, Zyuganov's combination of Stalinism and nationalism only served to repel them.

Broad layers of the youth were not attracted to the CP. In the future this will change. As the crisis develops, with

rising unemployment among the working class youth and students, there will be a massive shift in the direction of communism. The ideas of Lenin and Trotsky will gain their most enthusiastic audience among the youth. But at present the repulsive mixture of Stalinism, nationalism and reformism peddled by Zyuganov cannot attract young people who are particularly sensitive on the question of democracy.

Timothy Heritage, writing for Reuter on the 4th July, states that "Zyuganov himself is a strong Russian nationalist and admirer of the Orthodox Church. His closest adviser, Alexei Podberyozkin, is a nationalist and Orthodox believer who

is not a member of the Communist Party at all. Despite leading into the election a nationalist-communist alliance including some radical Communists, Zyuganov has ruled out any rebirth of the old Soviet Communist Party which collapsed five years ago."

Here the subjective factor is decisive. After decades of totalitarian rule, there was no enthusiasm for a return to Stalinism. The masses were repelled by the chaos, corruption and general rottenness of the Russian gangster bourgeoisie, whose plunder of state assets even the Financial Times described as "the theft of the century". But they had no desire to hand power

back to the old Stalinist bureaucracy. They wanted genuine socialism, with a democratic regime.

In the absence of a democratic socialist alternative, Yeltsin was able to organise a scare campaign on the lines described above. In the circumstances, it is surprising that the CP's vote was as high as it was, even if one accepts the official figures as correct, which is extremely doubtful. In spite of Zyuganov's policies, the bulk of the industrial workers voted for him. But elections are not decided by the industrial working class alone. As in the West, there are intermediate layers, professional people, civil servants, functionaries of all kinds, who would

follow the proletariat if the latter was mobilised in action, but, if no lead is given, can be drawn behind the ruling elite by fear, bribery, or a combination of both.

It is no accident that Yeltsin's main support came from Moscow and St Petersburg. Apart from the fact that these centres act as a magnet for the nascent bourgeois from all over Russia, like all capital cities and administrative centres, they have a large petty bourgeois population, not just the small traders and speculators linked to the market economy, but a vast number of functionaries whose jobs and career prospects are dependent on the ruling

clique. The upper stratum of this layer is mainly at the service of the nascent bourgeoisie. The lower grades could have been won over by the CP. These are the typical floating voters, who hesitated until the last moment before casting their vote reluctantly for Yeltsin, on the principle of "better the devil you know". These people thought: "At least with Yeltsin we have some freedom (this is, of course, an extremely relative proposition). If Zyuganov wins, how do we know he will not impose a totalitarian dictatorship. And who can say if we'll be any better off under the Communists? Weren't they also corrupt? Wasn't Yeltsin in the same party as Zyuganov? So they're all as bad as the

other. Yeltsin has made a lot of promises. Maybe if we stick with him, things will get better."

Role of the Zyuganov leadership

There was also another factor. Interviews published in the West with such people gave interesting responses. Many of them were afraid that a Zyuganov victory would have meant a coup and civil war. This appraisal may well be correct. As we have pointed out, the bourgeois had no intention of allowing Zyuganov to win. One way or another, he would have been blocked. Such a development would have created an explosive situation, which could have

ended in civil war. If Zyuganov had pursued a genuine Leninist policy, that would have been no obstacle. Even the official figures gave Zyuganov over 40 per cent, and the real figure must have been higher. That is a powerful base. But the question of power can never be settled by electoral arithmetic alone.

If Zyuganov wished to give a real lead to the workers of Russia, he would not have confined himself to warnings about vote-rigging, but would have set up committees to defend democracy in every workplace and locality, composed of elected representatives, to organise and co-ordinate the fight-back against the Yeltsinites and their corrupt,

antidemocratic regime. Any violence that ensued would be exclusively the responsibility of the Yeltsin gang of crooks and reactionaries. A decisive attitude on the part of the workers is the prior condition for winning over the wavering middle layers. As we stated after the first round:

"It is still not excluded that Zyuganov can form a government. But this is only possible on the basis of a big movement of the working class, not otherwise."

Here the subjective factor is all-important. Above all, in order to win over the youth, a bold vision is necessary, one which would inspire

them with hope for the future. But no such perspective was put forward. Zyuganov, in fact, offered no perspective at all. His attitude to the Stalinist past was half apologetic, which gave the Yeltsinites the possibility of identifying him with the crimes of the old regime-- concentration camps and so on. Yet Zyuganov did not even clearly advocate the re-establishment of the USSR and a nationalised planned economy. The word "socialism" was conspicuous by its absence. Instead, he scandalously flirted with Russian chauvinism, even to the point of inviting Orthodox priests onto his platform, a tactic which was grist to the mill of Lebed.

Despite its huge resources, the CPRF, at the moment of truth, was unable to connect to a wide layer of the population which was looking for a genuine democratic socialist alternative. After decades of totalitarian and bureaucratic methods, the Party leaders had no idea how to appeal to the masses. As Kolganov and Buzgalin point out:

"With its 500,000 members, the CPRF was the largest political party in Russia. But as the election campaign showed, the party's bureaucratism, together with its orientation toward 'people of the past' and pragmatic-minded petty bureaucrats dissatisfied with Yeltsin, made it a weak organisation, incapable of devising any

effective response to the propaganda and 'dirty tricks' of the authorities. In circumstances where the mass media were monopolised by Yeltsin, the idea of carrying on agitation 'from door to door' was not in itself a bad one, but the members of the CPRF were unable to implement it in practice. They had no idea of how to perform such work, and could not find a road to people's hearts--except for the hearts of people already inclined to support Zyuganov. The experience of the elections showed that Zyuganov does not have anything even remotely resembling a 'Lenin Guard.'

"The strengths, including its massive size and the presence within its

membership of tested, experienced cadres from the Soviet Communist Party, were turned into weaknesses.

Disciplined rank and file 'party warriors' turned out to be of little use in the conditions of a multi-party system marked by struggle between various ideologies and interests. Meanwhile, the experienced cadres had experience only of bureaucratic kowtowing, not of political propaganda work."

Zyuganov's campaign in the first round was poor, but matters got even worse in the second. Some of the Western commentators were so perplexed that they wondered whether Zyuganov's tactics were not the result of some

cunning plan to increase public apathy, and thus cause a low poll, which, allegedly, would benefit the CP! But it is not necessary to seek such a subtle and "profound" explanation. There was no such plan. Zyuganov's failure was the result either of his inability to put a real alternative before the people, or because he was afraid of winning the elections. Most likely, it was a combination of both.

Lacking any revolutionary perspective, Zyuganov was terrified of the prospect of civil war. This would have meant leaning on the working class, something which the CP leaders wished to avoid at all costs. Once the workers were

aroused, it would be difficult to control them. Under such circumstances, it would not be possible to consolidate a neo-Stalinist regime. It seems likely that the Yeltsinites made it clear in advance to Zyuganov that he would not be permitted to take power by electoral means. The choice was clear--either mobilise the masses for an all out struggle for power, or capitulate. It does not require much imagination to understand what occurred between Zyuganov and the leaders of the Yeltsin camp between the first and second rounds, if not before. The correspondent of the Spanish paper El País (7/7/96) writes:

"In order to understand why the Communists have been so passive in relation to Yeltsin and why they have accepted with such resignation the tricks played on them one has to bear in mind these subterranean currents, for it is there where, according to a hypothesis which cannot be verified, Zyuganov had been given to understand that the powers-that-be would never accept his victory, should that occur, and presented him with the alternative between hanging on to the position he has now in the parliament (the Communists are the biggest group in the Lower House) or face the prospect of being declared outside the law."

Once Zyuganov failed to mobilise the working class for action, the result of the election was a foregone conclusion.

After the election, while hinting at the possibility of fraud, Zyuganov made no attempt to mobilise any kind of protest movement, but hastened to accept the result as "the will of the people". The bourgeois in the West could scarcely conceal their glee at the spectacle of the CPRF leader meekly accepting defeat. The Financial Times of (5/7/96) carried the headline "Communists accept defeat like democrats". What the Financial Times means to say is that the Zyuganov wing of the CP made no attempt to stand for communism and have openly

embraced "democracy", that is, capitalism. No wonder the Western media which yesterday foamed at the mouth against the danger of a Zyuganov victory, now pay hypocritical tribute to this "statesmanlike" behaviour, that is to say, this capitulation.

What "will of the people" is Zyuganov talking about, when even the Western media is compelled to admit that the whole election campaign was shamefully biased in Yeltsin's favour? Zyuganov has entirely capitulated to bourgeois ideology in its most vulgar and myopic form. However, he is not alone in these illusions. The upstart bourgeois, who only weeks earlier were

panicking at the prospect of a return to "communism", now recovered their nerve and succumbed to euphoria. In the same issue, one of the representatives of the Russian bourgeois, Boris Berezovsky, was quoted as saying: "We shall never again need to choose between communism and capitalism." The relief of these elements was best expressed by their most consummate representative, Viktor Chernomyrdin the day after the election--"The choice is made for always, today democracy has won forever". However, such judgements are premature.

From a Marxist point of view, elections in and of themselves solve nothing. In

the best case, they provide a snapshot of the mood of the masses at a given moment. But in this case, even that can be doubted. In any event, the social tendencies are shown here in an extremely mangled and indirect manner, as through a distorting mirror. Had Zyuganov won, that would have been a significant change in the situation, reflecting a major setback for the pro-capitalist elements. But, for that very reason, it was not going to be allowed to happen. Those who had enriched themselves by plundering the state would not just have handed over with a polite bow. A Zyuganov victory would have brought the country to the brink of civil war. As all history shows, the

decisive questions are settled, not by parliamentary arithmetic, but by the struggle of real forces.

Yeltsin's false promises

No sooner had Yeltsin been declared the winner than the editorials in the West began to express deep concern about the immediate future. Yeltsin made all kinds of promises during the election. That undoubtedly helped him to get the desired result. He promised, among other things, a 20 per cent increase in the minimum wage; holiday pay for teachers; Chechen reconstruction; support for the coalminers; compensation for the elderly and

handicapped; increased pensions; write-off of farm debts; home building loans; payment of all unpaid wages and pensions; more state spending on defence research and development; payment of state debts to power ministries. It has been calculated that the total value of these promises is about Rbs100 trillion (\$19.8 billion). The problem with a promissory note, however, is that eventually it is called in. And where do you get the funds to draw on?

Ultimately, the decisive factor is the economy. For over a year, the bourgeois economists in the West have been predicting an economic revival in

Russia. They even talked of a figure of 10 per cent in 1996, which we said was impossible. What is the real situation? According to the latest (1996) report of the European Bank for Reconstruction and Development (EBRD), the growth for 1996 in Russia as an average of the figures given by ten different economic institutions was supposed to be &endash;2.1 per cent. The OECD predicted a growth of 1 per cent. In fact there was a further fall of 6 per cent. Part of this was the result of political uncertainty delaying investment decisions. But there are other factors. Russia's increasing dependence on the world market creates new problems. Exports, including metals, chemicals and

forestry products, have been hit by weaker international demand and prices. On the other hand, cheap foreign imports are penetrating the Russian market more and more.

The rate of inflation is much lower than before. This is hardly surprising. Inflation rose during the whole of 1992 by an astonishing 2,318 per cent. With a collapse of production by more than half, how could it increase? *As a matter of fact, under such circumstances, prices ought to fall, not rise.* Yet the danger of inflation is far from overcome. It is not prices that are falling, but only the rate of increase in prices. If the economy begins to recover--and that is

inevitable at a certain stage, possibly in 1997--inflation will begin to take off again. Hence the extreme concern in the West at Russia's huge budget deficit, a permanent source of inflationary pressure.

In the spring of 1995, when the rouble was rising, the Central Bank printed roubles and used them to buy dollars. Money supply rose by 27 per cent in two months, reserves doubled to \$6 billion and the IMF's target--set with respect to a preceding, one-year loan--were undisturbed. In the spring of 1996, the picture was different. Base money grew by 7 per cent in March and at the same rate in April, but this money was spent

buying votes, not dollars.

The fall in production has drastically reduced the state's revenue, while increasing costs. On the other hand, the private sector does not make up for the collapse of state industry. A large part of the state's shrunken revenues goes on wages and pensions, while investments are being cut back. But this is further undermining Russia's future prospects. Despite the cuts, the budget deficit goes from bad to worse. In the first four months of 1996, the budget deficit stood at Rbs31 trillions (\$6.2 billion, or 4.3 per cent of GDP) according to the Ministry of Finance definitions, but Rbs51 trillions (\$10.4 billion, or 7.5 per

cent of GDP) according to those of the IMF, above the agreed ceiling of Rbs40.4 trillions (\$8.1 billion).

In point of fact, the scale of the disaster is even greater than these figures suggest. Under the nationalised planned economy, it was correctly understood that competition is wasteful. Production was therefore concentrated into big state-owned monopolies. This means that the production of at least 600 basic products are in the hands of monopolies at the present time. If one of these monopolies was allowed to go bankrupt, the chain of production would be broken, and a whole series of otherwise healthy companies would be forced to

close, in a domino effect. Furthermore, since many monopolies are virtually the sole employer in purpose-built towns, this would mean destroying entire communities.

So far the budget deficit has been financed by the issue of Treasury bills (GKO) and credits from the IMF, Germany and France. In this way, a large part of Russia's wealth is being siphoned off in interest paid to Western financiers. This is a very costly operation. To illustrate the drain, we cite the following fact: although the gross amount of Treasury bills outstanding increased by Rbs57 trillion (\$11.4 billion, or 2.5 per cent of GDP), the net financing increase

only amounted to Rbs15 trillion (0.7 per cent of GDP). The government is also believed to have sold some of Russia's precious metal reserves.

Kolganov and Buzgalin comment: "The adventurist budgetary and financial policies of the first half of 1996 inevitably pose the question of how the budget deficit will be covered, and of how the internal debt that has grown along with it will be serviced. The federal budget deficit has grown to 9.6 per cent of GDP, twice the figure planned for the end of the year. Tax revenues in the first four months of 1996 fell to 7.5 per cent of GDP compared to 11 per cent during the same period of

1995. 'We cannot collect taxes on vodka, on cars, or on imported consumer goods,' admitted the economics minister Yevgany Yasin, 'and we are approaching the point where there will no longer be anything to take, where an increase in taxation threatens grave consequences for production.' The total state debt rose during the first half of 1996 by US\$20 billion, of which \$4 billion was foreign debt, and \$16 billion domestic debt. The government borrowed \$22.4 billion on the market for short-term state securities during this period, but with interest rates at exorbitant levels, had to pay back \$19.7 billion; it is clear that this key source of funds has now virtually been exhausted.

"The government in all likelihood will have to resort simultaneously to all of three possible solutions to its problem with finances. It will have to dip into the Central Bank's reserves of gold and hard currency; it will have to use credit and monetary emission; and it will have to limit its outlays by freezing wages (through delays in wage pay-outs) and delaying the payment of social welfare benefits and subsidies to producers. According to economists, total emission during the first half of 1996 already exceeded Rbs50 trillion [about \$50 billion]. This points to growing inflation, problems on the financial and credit market, increasing social tensions, and a worsening of the economic

decline. Extra spending on the purchase of grain from abroad will also be unavoidable, since reserves are somewhat below the level needed to ensure supply until the new harvest. There is also the 'eternal' problem of supporting agriculture."

The IMF's 'generosity'

The Yeltsin government finds itself between the devil and the deep blue sea. Under the relentless pressure of imperialism, they agreed to cut state expenditure. For instance, military spending was supposed to be cut. Now the military caste is demanding a real increase in their share of the budget.

Fearing a social explosion, the parliament approved an increase in the minimum wage from Rbs20,000 a month to Rbs54,000 a month. As many welfare payments are based on this figure, this measure alone will cost Rbs30 trillion, or half the proposed budget deficit.

What this reflects is a deepening conflict between conflicting class interests, which is far from being resolved in a decisive way. That is what the strategists of capital mean when they complain that the situation in Russia is unpredictable. For their part, the imperialists are also aware of the threat of "social instability" as they express it. Not for nothing did Yeltsin warn the West repeatedly of the

danger of a "new Bolshevism" if they did not support him. The miners' strikes served forcibly to underline the point. Yeltsin has been obliged to retreat on the issue of miners' wages, at least for the time being. He has blamed the non-payment of wages in general on "saboteurs". But any commitment to pay arrears will mean an increase in the huge budget deficit. This was, anyway, inevitable in the run up to the election.

The very fact that the imperialists are concerned that the movement towards capitalism has not yet reached the point of no return impels them to put pressure on Moscow to continue the reform at all costs, as quickly as possible,

irrespective of the social consequences. They are pushing the situation to its limits, thus creating the conditions for an explosion. Some of the more far-sighted Western observers are beginning to realise the dangers in this. The next phase of privatisation would be the most dangerous from the point of view of social stability, as the Financial Times pointed out on the 12th August 1995:

"The Russian government is poised to decide on the next and most dangerous step in its three-year old reform process. Going ahead would mean launching a full attack on inflation, closing many obsolete factories and starting to create a working social security system with

the aid of up to \$18 billion [£11.6 billion] provided through the IMF. The scale of the transformation now being debated in the government and with IMF experts would be larger than anything yet attempted and would risk creating social unrest and political instability."

The idea of the hard-faced bankers of the IMF funding social welfare in Russia can be taken with a large pinch of salt. In general, the West has been lavish with promises of aid to Russia, but very short on delivery. The only part of this paragraph that matters is the promise to carry out a massive programme of factory closures, which would cause huge unemployment and terrible

suffering. The real attitude of the Western financiers was shown by the president of the Swiss bankers, Mr Markus Lusser, who was quoted in the same article as warning that the IMF risked "financial and moral ruin" if it continued to display a "soft" attitude to Russia.

Before the elections Yeltsin drove a coach and horses through the IMF's stipulations, which did not prevent that organisation from continuing to bail out the Yeltsin regime. The IMF granted a three-year loan of just over \$10 billion--the second biggest ever after Mexico. Despite the fact that Yeltsin frittered most of this away in the election

campaign, and drew a further \$1 billion from Russia's Central Bank in June, the Fund's Chief Michael Camdessus stated, without even blushing, that Russia was "up to date on performance criteria".

The reason for this unusual generosity was clear. The West was terrified of a Zyuganov victory. Up to the very last minute, they were not sure that this could not happen. The IMF, obviously under pressure from Washington, turned a blind eye to the fact that Moscow was manifestly not fulfilling its commitment to monetary discipline. Behind all these manoeuvres there were two main calculations: fear of major social upheavals in Russia which could spread

to eastern and Western Europe, and the need to keep Yeltsin in power at all costs, for fear of the alternative.

For this reason, the IMF hastened to approve its loan before the election. But as we predicted, no sooner was Yeltsin back in the Kremlin than the attitude of the West changed. In the following months they applied merciless pressure on Moscow. They paid the bills, now they demanded results. They demanded that all the conditions attached to the loans be fulfilled. They insisted that the programme of privatisations, which had been put on ice in the run up to the presidential elections, be carried out to the end, regardless of the consequences.

The IMF wanted Russia's budget deficit to be limited to not more than 4 per cent of GDP, falling to 3 per cent in 1997 and 2 per cent in 1998. These were figures which the main EU countries are finding it virtually impossible to meet, yet they demand this of Russia! As a matter of fact, these conditions are even more stringent than the Maastricht conditions. To demand a budget deficit of no more than 3 per cent when Russia's budget is completely out of control, and millions of workers are not being paid is the economics of Alice in Wonderland. These so-called experts are quite mad. They have not even bothered to ask themselves where the state is supposed to get the taxes from. The Mafia? The

latter are well known for many things, but paying taxes is not among them. On the contrary, they receive taxes--or, more accurately, tribute, like the tartars of old--with their universal levy of 20 per cent.

This is one more reason why they are finding it so difficult to consolidate a capitalist regime. This is a gangster capitalism, where Proudhon's old maxim has at last come true--"Property is theft". They have developed a new method of improving competitiveness--by physically liquidating business rivals. There has never been a state like this, unless we refer to Italy. Not the Italy of today, but that of the fourteenth century, when Italian city states were ruled by the

condotierre, roving bands of robber-knights. It is true that in modern-day Italy, the Mafia has a very wide presence, and is mixed up with the state and business (not to mention the Vatican). But Russia is on an entirely different plane. Here capitalism is entirely criminal. The Mafia loots the state and sends its loot abroad. In other words, they do not fulfil any of the productive functions performed by the capitalists in other "normal" capitalist countries, Italy included.

Vast amounts of Russia's oil and minerals are being smuggled out by criminal elements. According to some estimates, it would be possible to

finance the whole of Russia's foreign debt on the basis of the goods and capital that have been siphoned off over the past five years. These are truly vast sums of money. Much of it is laundered through the banks: an estimated \$14 billion in 1992 and \$17 billion in 1993. Corruption and theft on such a level could lead to the collapse of the Russian economy.

An indication of the fragile condition of Russian capitalism is the instability of the financial sector. Western economists have predicted that a fall in the yield of Russian Treasury bills (GKOs) will produce a collapse of the banking system. Annualised GKOs yield have

fallen to 89-90 per cent down from more than 200 per cent before the elections. Immediately after the elections Russia's Central Bank put administrators into Tveruniversalbank, Russia's 17th-largest commercial bank with assets of some \$1.2 billion. On the 8th July the Central Bank's chairman, Sergei Dubinin warned of problems at Russia's fourth biggest bank, Inkombank. A further slide in the value of GKO's could provoke a collapse not only of the banks but of the stock exchange. About 350 banks saw their licences withdrawn by the Central Bank of Russia in the first half of 1996.

So far, despite the terrible economic catastrophe and the collapse in living

standards of the big majority, open unemployment has not assumed massive proportions. The industrial crisis has manifested itself mainly in a huge accumulation of inter-enterprise debt and unpaid wages. This is itself a major factor in the budget deficit, since, to date, these debts are mainly underwritten by the state. The IMF is demanding that this cease, and that, in effect, these factories be allowed to collapse. Such a scenario would mean perhaps 25 million unemployed--a finished recipe for social convulsions on a colossal scale.

Thus, not one stone upon another will remain of Yeltsin's election promises. Not that he will be much worried about

that. The president's health is clearly in a somewhat fragile state. Whether his "indisposition" in the closing stages of the campaign owed more to his heart or a vodka bottle is unclear. But it was sufficient to set the alarm bells ringing in every Western foreign ministry. Everywhere the question was asked anxiously: After Yeltsin, what?

Splits in the reformist camp

No sooner had the election result been announced than it became clear that the government was riven with contradictions. The most obvious is the open rift between Prime Minister Chernomyrdin and General Lebed. The

former, as prime minister, has a powerful position, and probably enjoys the support of a big section of the nascent bourgeois as well as the imperialists who see him as their most reliable representative.

Despite all his demagoguery, Lebed is one of the most dangerous enemies of the working class. If he succeeds in taking power, he will not hesitate to crush the labour movement. Lebed describes himself as "half a democrat". From this one can conclude that he is also "half totalitarian", and it is safe to assume that the totalitarian half is greater than the democratic one. He has made no secret of his admiration for Pinochet.

Lebed's path was blocked by Chernomyrdin, who doubtless fancied the role of dictator for himself. The day after the election, it was clear that Lebed was being pushed into the background. "The Moor has done his duty. The Moor may go!" But this "Moor" had no intention of going anywhere--voluntarily, at least. With an eye on Yeltsin's demise, Lebed proposed that he be given the post of vice-president, a move which was promptly stamped on by Chernomyrdin. Even the fact that he was put in charge of the campaign against crime and corruption was, in reality, a calculated manoeuvre to discredit Lebed, since this campaign is doomed to fail before it starts. In order to stamp out crime and

corruption in Russia, it would first be necessary to arrest the biggest criminals, who are to be found at the heart of government, commencing with the prime minister.

By placing Lebed in charge of the army and police--a desperate move by a man afraid of losing the election--Yeltsin was taking a big risk. Everything seems to indicate that Lebed was promised a lot more in exchange for his help in winning the election. But such promises are about as valuable as all the other ones made by Yeltsin, that is, not a lot. Lies, treachery, deceit--these are the stock-in-trade of the entire regime, and Yeltsin has them worked out as a fine art. Immediately

after the elections, all the Kremlin factions and aspiring Bonapartes began fighting like ferrets in a sack.

Anticipating this, we wrote:

"Behind the scenes, Lebed is plotting against Chernomyrdin, and vice versa. Chernomyrdin would like to get Lebed ousted before he gets too powerful. He may succeed, since the imperialists are also worried about Lebed, whom they see as too unpredictable. But, arguably, Lebed would be even more dangerous in opposition than inside the government camp. Chernomyrdin may decide, to quote the former US President Lyndon Johnson, that it is better to have a rival inside the tent pissing out, than outside

the tent pissing in. If Lebed is removed, he would probably attempt to set up his own movement, based on the usual Bonapartist demagoguery in which patriotic and 'left' phraseology serves as a mask for the most vicious reaction. He would conduct permanent intrigues in the officer caste, playing upon the growing dissatisfaction and disgust with the corrupt and inept Chernomyrdin clique."

Lebed's warning that Yeltsin's promises must be carried out was an indication that he was attempting to build a mass base of support, in preparation for assuming power once Yeltsin had died or been forced to retire. But the old Kremlin clique was ready for him. As

soon as Lebed showed signs of preparing to set himself up as a national Saviour, among other things meddling in the Chechen affair, he was removed by a palace coup. However, the removal of Lebed does not solve the problem.

Yeltsin is a sick man, who can disappear from the scene at any time. That would be the signal for an open power struggle between the rival factions. The situation remains extraordinarily volatile.

Lebed still remains as a reserve candidate for the bourgeois. At the time of writing, it has just been revealed that he has received £150 million. Where from? It is clear that a section of the bourgeois want to help him get elected if

new elections are held when Yeltsin leaves the scene. They will demand payment later. Yeltsin's new illness (said to be bronchitis) indicates that he can leave the scene at any time--although the Kremlin doctors have a lot of experience at keeping people alive! The Mafia capitalists and their Western allies are evidently looking for a fallback position. However, if Lebed does take power, the West will have plenty of reasons to regret it.

In the absence of a big movement of the proletariat, the intrigues at the top, the ceaseless manoeuvring for position, the palace coups, will continue, one after the other. These shifting combinations at

the top have a largely accidental character, reflecting the impasse of the regime. But whatever the particular combination, the general tendency must be in the direction of Bonapartism, a regime which expresses the deadlock between the classes in which the weak and rotten Russian bourgeoisie is unable to establish a social equilibrium by "normal" means, and the proletariat, paralysed by its leadership, is unable to carry out a complete reconstruction of society from top to bottom.

The possibility of a regime of bourgeois Bonapartism has undoubtedly become stronger. But it is still not certain whether it will happen. Either way, there

is no question of a stable regime of bourgeois democracy. As a matter of fact, there is no real democracy in Russia even now. The parliament, in which the CP leads the biggest bloc, is mainly for decorative purposes. Real power is in the hands of the president.

In such a regime, as under Tsarism, the formation of a "court camarilla" with all its attendant intrigues and conspiracies, is inevitable. A report in the Financial Times (1/11/1996) revealed that the real power in the Kremlin was not the sick president, but a clique of seven Mafia capitalists, unelected and answerable to nobody:

"The same tight-knit group of seven businessmen now meets weekly and works closely with Mr Chubais, now the ailing President Yeltsin's chief of staff. Its members portray themselves quite openly as the main force shaping Kremlin policy—Mr Mikhail Khodorkovsky, president of the Menatep financial and oil empire; Mr Peter Aven and Mr Mikhail Friedman of Alfa Bank; and Mr Alexander Smolensky of Stolichny Bank. Their six enterprises, according to Mr Berezovsky, control about 50 per cent of the economy.

"'He [Potanin] had the feeling that one of the big bankers had to go there,' he said. 'He had the support of the other big

banks.' The businessmen's reasoning was stark. *Even if the threat of communism had receded with the July election, Russia's future as a flourishing and stable market economy was far from secure. Not only was the president largely out of action pending heart surgery; there was also the risk of serious social unrest, with wage arrears mounting and government finances collapsing.*" (My emphasis.)

Even Yeltsin's daughter is now a key figure in this murky world of manoeuvre and back-stabbing, although she is a political nobody. This is a throwback to the degenerate Rasputin regime. But the Rasputin regime eventually led to the

February Revolution.

The 'time of troubles'

The confidence of the bourgeois and the West in the future of capitalism in Russia is misplaced. Already there is the outline of a massive crisis in Russia. As the social, economic and political crisis unfolds, their forces will melt away. The idea that "communism" cannot return because of Yeltsin's victory is a foolish pipe-dream. The very confidence of the bourgeois will be a factor in its undoing. Like the bullfrog in Aesop's fable, they are puffed up with their own importance. As a result, they will press on in the direction of market reform and will

inevitably overreach themselves. They imagine that everything is settled, whereas nothing is settled. For a Marxist, an election is only an incident in the general process, and not at all the most decisive incident. The real test still lies in the future.

With the utter decay of Stalinism, and the general throwing back of consciousness at all levels of society, the most primitive and barbarous ideas have re-emerged from the murky slime of a half-forgotten past--Pan Slavism, Great-Russian chauvinism, anti-Semitism, astrology, superstition, faith healing, Orthodoxy--all this ideological and spiritual muck is a faithful mirror of

social decline. Most striking of all the expressions of this decline is the way in which Zyuganov, instead of combating nationalism and religion, the inseparable soul mates of reaction, above all of Russian reaction, has completely succumbed to these poisonous influences, against which Lenin struggled all his life.

In the absence of understanding, self-styled intellectuals--not only on the right--take refuge in mysticism, referring to the "Russian soul", and drawing the conclusion from superficial analogies with Russian history that the Russian people are "not suited for democracy", and so on. In reality, such "explanations"

explain nothing at all, but can be used as a ready-made excuse for the next gangster who seeks to seize power in the name of Russia, Order and Orthodoxy.

Far from the future of Russia being guaranteed, new upheavals and chaos lie on the horizon. Russia has entered a new "Time of Troubles"--smutnoe vremya, as the Russians call it--referring to the period of anarchy and social breakdown which preceded the coming to power of Peter the Great in the first half of the eighteenth century. The unstable, corrupt, gangster regime of Yeltsin bears some resemblance to the rule of the streltsy, the bandit rulers of Muscovy at that time. But then there was no working class

such as the powerful Russian proletariat, which could, with proper leadership, show a way out of the impasse. As always, historical analogy is a lame substitute for a scientific analysis of the real class balance of forces. There is nothing at all inevitable about the descent of Russian society into chaos, or the victory of Bonapartist reaction, any more than in 1917. Now, as then, the causes are not to be found in the "Russian soul", but exclusively in the leadership of the working class--or the lack of it. The problem of problems is that the Russian working class has not yet moved as a class. This fact conditions the whole situation. But it will not last forever.

The starting point of our analysis is the impossibility of any lasting solution of the problems of the Russian economy under gangster capitalism (no other capitalism is possible for Russia), where the bourgeoisie had exhausted its progressive role long before the October Revolution. Under Yeltsin, there is no question of raising living standards, at least for the vast majority. The economic perspectives for the immediate period ahead have already been described. Even the paltry 2 per cent growth target of the IMF is seen by the experts as an unrealisable goal. And the prospect of mass closures and soaring unemployment looms ever larger.

Precisely for this reason, the possibility of giving the CP a couple of posts in the government is posed, not out of any sense of altruism on Yeltsin's part (he could be accused of many things, but hardly that). This was the inner meaning of Chernomyrdin's comment the day after the elections that Russia should not be divided into "winners and losers". The "winners" are evidently terrified of the reaction of the "losers" once the real position becomes clear.

The victory of Yeltsin means that the process will be somewhat more drawn-out. A CP victory would have rapidly led to civil war, which, given the total lack of preparation and leadership,

could probably have been a disaster. Now the process will unfold somewhat differently. It will take longer, although this does not mean a smooth and peaceful process. Quite the contrary. Yeltsin and Chernomyrdin appeal for "national unity" because they realise what awaits them. Once again Zyuganov demonstrates his complete lack of understanding when he echoes the call for a "government of all patriotic forces". The call for "national unity" is the emptiest of all slogans.

With falling industrial production, collapsing living standards, the ruin of agriculture, and the shameless enrichment of the few, how can one talk

seriously of "unity"? It is not possible to unite oil and water. How can the working class unite with the Mafia thieves and the rotten nascent bourgeoisie? This would be like the unity of the horse and the rider, equipped with sharp spurs! However, the possibility of such a government seems to have receded for the present. The dominant faction in the government wants to press ahead with its anti-working class policies without having to make any concessions to the CP. This is undoubtedly the result of the merciless pressures of the IMF, which is radically opposed to any concessions whatsoever. It is also a finished recipe for class struggle.

The miners' strikes in January 1996, and the subsequent strikes in the autumn of that year, indicated that the workers' patience is beginning to wear thin.

Paradoxically, the much heralded economic revival could be the signal for a wave of strikes and protests.

Frustrated on the electoral front, there would be a natural tendency for the workers to move onto the industrial plane. An economic revival would encourage this tendency, especially as the bourgeois will be thieving, looting and exploiting even more blatantly in the next period than before. There must now be a mood of bitter anger and resentment against the wealthy parasites.

Temporarily, the workers' heads will be

down, but that cannot last. The explosion must come, and will be even more violent for having been pent up for so long. Those who imagine that everything is solved have some nasty surprises in store.

The attempt to move in the direction of capitalism in Russia coincides with the impasse of capitalism on a world scale. In the long run, this will be decisive. Everywhere, the attacks on living standards and cuts in state expenditure are preparing the way for an explosion of the class struggle and the transformation of the psychology of the working class and the labour movement internationally. Let us not forget that it

was the temporary boom in world capitalism in the 1980s that played a big role in strengthening the pro-capitalist wing of the bureaucracy. Now all that is over.

The economic cycle in America has now lasted for six years, and has some of the symptoms associated with the peak of a boom, which heralds the start of a downturn. On a world scale, the recovery has been sluggish, with low rates of growth, stagnant demand, and persistently high rates of unemployment. The attempt to reduce the huge budget deficits inherited from the past period is further cutting demand and restricting growth. Only in Japan has the

government attempted to get out of the crisis by traditional Keynesian methods of deficit financing. Even so, growth is only 2-3 per cent, and it is not clear that even this can be sustained. The level of indebtedness in Japan is the highest in the world, and the financial system is in a parlous state. A financial crash in Japan could plunge the world economy into a deep slump or even a depression.

Even if, as is possible, the US economy continues its growth, the problem would only be postponed for, at most, a few years, before a new and even steeper fall is registered. A serious slump in the West, which is inevitable in the next period, would drastically alter the

relationship of class forces in Russia and Eastern Europe. The close binding of the economies of Eastern Europe to the world market (70 per cent of their exports go to Western Europe) means that a slump would have devastating effects. It would provoke enormous movements in Russia and Eastern Europe. The masses in these countries would have had enough experience to realise the bankruptcy of capitalism. The CPs would enter into crises and the pro-bourgeois elements would be rapidly discredited and vomited out. The objective conditions would be created for the creation of mass revolutionary currents in the workers' organisations, particularly if nuclei had been formed

beforehand.

One factor which weighs heavily in the present situation is the fact that the masses fear civil war, with all the chaos and privations that would mean. This was undoubtedly one of the things that swung sections of the voters behind Yeltsin in the elections. But events will reach the point where there is no alternative. A skilful Leninist leadership would know how to place all the responsibility for violence on the shoulders of the bourgeois thieves, looters and Mafia scum. Sooner or later, the fundamental questions will be settled by open struggle between the classes.

In the immediate future, we can expect further steps in the direction of capitalism in Russia. That is inevitable. But we must not fall into empiricism. The process is still not complete, even now. There are serious obstacles in the path of the nascent bourgeoisie. There will be many explosions in the coming period, which will put on the agenda the possibility of the revolutionary transformation of society.

Even a temporary victory of bourgeois Bonapartism in Russia would only be an episode in the general process of capitalist decline. As we pointed out in an article in the Socialist Appeal, no. 43, July-August 1996:

"No society can live permanently in a state of chaos. If the working class of Russia does not move decisively to transform society, the stage will inevitably be set for some kind of Bonapartist solution. Given the present situation, even a regime of bourgeois Bonapartism can seem like an improvement. In the short term it can even get some results. How long it can succeed in stabilising itself would depend above all on developments on a world scale. Despite a temporary and relative improvement in the economy (it is not very hard to improve on the present situation!) this would still be a regime of decline--a fact which would soon register on the consciousness of the

masses.

"A Bonapartist regime is corrupt and unstable by its very nature. The masses would soon compare the demagogic speeches 'against corruption' with the reality of a corrupt and degenerate clique of officers enriching themselves at the expense of the nation. Whatever popularity they might have had in the beginning would turn into hatred and contempt. When this stage is reached, the regime would be doomed. Trotsky explained that the army and police are not sufficient to keep the masses down in a modern industrial society, such as Russia now is.

"Only the temporary inertia of the masses would allow them to stay in power for a time. Even then, they would be at the mercy of the capitalist world economy. A slump in world capitalism, which is likely in the next few years, would completely undermine the attempt to consolidate a capitalist regime in Russia. Just as the 1929 slump led to the collapse of the dictatorship of Primo de Rivera in Spain, the road would be open to revolutionary developments. The illusions in capitalism would be utterly destroyed, and the stage would be set for a new October, but on a qualitatively higher level."

Marxists and the Communist Party

The way in which the CPRF has recovered and acquired a mass base is one of the most extraordinary features in the present situation. There is a genuine membership, mainly working class in character. This represents a big change from the previous situation when the CPSU was little more than an extension of the totalitarian bureaucracy of the state, an organisation full of careerists and bureaucrats. Once the link with the state was broken, the CP lost its previous character as an extension of the bureaucracy, and has come more under the direct pressure of the class.

It is theoretically possible that Yeltsin and Chernomyrdin want to split the CP

by drawing Zyuganov into their thieves' kitchen of corruption. At times, Zyuganov's conduct suggests that he would not be adverse to reaching a deal. But the rank and file of the CP will have an entirely different opinion. In its upper layers there is a section which would be quite willing to reach a deal with the nascent bourgeoisie, in exchange for a few concessions. This faction must be well represented in the Duma group of the Party, which Chernomyrdin is attempting to split.

Within the CPRF there are different tendencies, among whom is a section which is trying to find the road back to genuine Leninism. Between the two

extremes, there is a wide spectrum of interests and tendencies which oscillate between them. The unbearable contradictions in Russian society must find their reflection inside the CPRF, with a struggle between right and left. In the course of this, the traditions of genuine Leninism will act as an important point of reference.

The new generation of Communists will rediscover the ideas of Trotsky and the Left Opposition. At a certain stage a mass leftwing opposition will emerge, capable of challenging the reformists and neo-Stalinists. Depending on the balance of forces, they might gain the majority, or else the apparatus may

decide to split the Party. If the Leninist wing fails to gain a mass base, the result will be disastrous for Russia and communism. The policies of the opportunist wing can only prepare defeat after defeat. But we confidently expect that the left will be victorious. And its victory will be greatly assisted if the rising generation of cadres are armed with the ideas developed in the West over the past 50 years by our Trotskyist tendency. The fusion of both trends will provide an invincible combination.

The attempts of the different currents in the labour movement to make sense of the situation in the USSR make a sorry spectacle. The rightwing reformists tried

to use the crimes of Stalinist totalitarianism as an excuse for abandoning all pretence of a socialist policy. Most of the rightwing labour leaders had an openly counter-revolutionary attitude in relation to Russian Stalinism. That was merely the logical extension of the fact that the right reformists always loyally defend the interests of the bankers and monopolies, at home and abroad (although some of them at times also flirted with the Moscow bureaucracy).

The left reformists, also as usual, were utterly muddled. On the one hand, they talked about "socialism" in Russia, Hungary and so on--which was an

absolute scandal--yet in the next breath they talked about totalitarianism, thus mixing everything up. By confusing Stalinism with socialism, they did a colossal disservice to socialism. The Communist Party leaders talked about "socialism" and "democracy", then, when some crisis broke over their heads, they would tut-tut about it, and mumble incoherently about "unfortunate mistakes". But with the collapse of the USSR, and the spectacle of all the former leaders of "real socialism" in Hungary, Poland and to a great extent even Russia falling over themselves to become capitalists, they have nothing at all to say. The ultra-left sects on the fringes of the labour movement, also as

usual, combine all imaginable mistakes, and a few unimaginable ones as well.

The worst role was played by the leaders of the Communist Parties and their backers. The Stalinist wing of the labour movement for decades deliberately concealed the real situation in Russia, hiding behind mendacious phrases about the alleged "building of socialism". These same people reprinted without comment many of the crimes of the bureaucracy revealed in the Soviet press. For decades, they lied to and deceived the rank and file of their parties, among whom were a large number of the most militant and courageous class fighters whose

understandable loyalty to the October Revolution and the USSR was shamelessly abused. Now these leaders--those of them who still remain--are silent about their own role.

The questions and protests of the rank and file remain unanswered. In fact, they have no answer. Having abandoned Marxism and Leninism decades ago, they have now also abandoned Stalinism, the crimes of which they defended enthusiastically, but only to go over to reformism and Social Democracy. In many cases, they have even ditched the name of communism altogether, arguing that it has been discredited. In reality, it is not

communism that is discredited, but only a monstrous caricature called Stalinism. And it is these very leaders who are responsible for this blackening of the spotless banner of October. This is a crime which can be neither forgotten nor forgiven.

The once mighty Third (Communist) International was dissolved by Stalin in 1943 as a gesture to the imperialists. Gorbachov even suggested that there should be joint celebrations between the Soviet "Communist" Party and the West German Social Democrats to celebrate the anniversary of the Second International! This meant that the Russian bureaucracy considered that

there were no longer any differences between them and the reformist parties of the West. Evidently for them, everything that Lenin had ever spoken and written was all nonsense, and the entire history of the Communist movement since 1914 was all the result of a slight misunderstanding! This is where decades of Stalinist miseducation has ended up. Since the collapse of Stalinism, which threw the "Communist" Parties internationally into crisis, most of them have formally made the open transition to reformism by eliminating communism from their names and aims. But this was only to recognise what had happened long ago. In this sense, they have become reformist parties little

different from the reformist parties of the Second International. They are what Lenin called social-patriotic parties. Many of their leaders have degenerated completely and have no intention of moving in the direction of the socialist revolution--although the majority of the party rank and file has a different attitude altogether.

It is really an astonishing fact that the publications of the Communist Parties, even at the present time, still persist in describing the former Stalinist regimes of Russia and Eastern Europe as "socialism" or "real socialism". *In other words, they have learnt absolutely nothing about the real character of*

these regimes. Displaying the most incredible confusion, they talk about the need for "more democracy"--as if it were possible to mix democracy with totalitarianism! This kind of statement shows that they do not have the slightest inkling of the nature of the problem. They have not grasped the elementary fact that the totalitarian regimes in these states were a necessary adjunct of the rule of a privileged bureaucratic caste, and were absolutely necessary to preserve this rule.

We reproduce here some statements taken at random from recent statements made at Congresses and Central Committees of different Communist

Parties (my emphasis throughout):

Indian Communist Party:

"The reverses suffered by *socialism* in the Soviet Union and earlier in Eastern Europe have altered the world balance of forces in favour of imperialism for the present. The process of restoration of capitalism in the countries of Eastern Europe, the course of dismantling socialism in the Soviet Union and the break up of the USSR in its old form are accompanied by a new imperialist offensive. *This has grave repercussions for the socialist countries and the Communist movement*" (Statement issued by the Communist Party of India

(Marxist), January 1992. From Documents of the 14th Congress of the CPI(M), Madras, 3-9 January 1992.)

French Communist Party:

"Although the imperialist forces are using the *upheavals in the USSR and other socialist countries in Europe* to their profit, attempting to reinforce the political and military domination over the rest of the worldÉ The Communist Party of France has expressed its fundamental divergence from *the conception of socialism that prevailed in the USSR*, and drawn lessons for itself from *this unhappy experience*, the crisis and the reversals that have taken

place." (Statement issued by the French CC, January 1992.)

Sri Lanka Communist Party:

"It is particularly so in view of *the major set-back suffered by socialism in the Soviet Union and Eastern Europe.*

The world balance of forces has changed in favour of imperialism. These developments have *adverse effects on the other socialist countries* and for the forces of peace and democracy, particularly in the third world countries." (CC statement, January 1992.)

Portuguese Communist Party:

"In the new international situation marked by the dismantling of the USSR, following *the collapse of the socialist states of central and Eastern Europe*, new difficulties will be put to the Communists and other revolutionaries in their struggle for social progress and socialism." (CC of the Portuguese Communist Party, January 1992, my emphasis throughout.)

This is the punishment for decades of opportunism. The leaders are powerless to explain the collapse of Stalinism to their members. To this day, we await an explanation from these people of what happened in Russia and why it happened. For decades, they praised the

Soviet Union to the skies and indignantly denied the crimes of Stalinism. Now they pass this over in silence. But the membership wants to know the truth. Some of them at least make a show of trying to explain things. Thus, the late Joe Slovo, who was the general secretary of the South African Communist Party (SACP) until his death, wrote:

"The commandist and bureaucratic approaches which took root during Stalin's time affected Communist Parties throughout the world, including our own. *We cannot disclaim our share of the responsibility for the spread of the personality cult and a mechanical*

embrace of Soviet domestic and foreign policies, some of which discredited the cause of socialism." (Joe Slovo, *Has Socialism Failed?*, p. 24 (1990), emphasis in original.)

Simply a 'misunderstanding'?

Joe Slovo's pamphlet was written in response to "the dramatic collapse of most of the Communist Party governments of Eastern Europe" in 1989. Their downfall, he admits, "was brought about through massive upsurges which had the support not only of the majority of the working class but also a large part of the membership of the ruling parties themselves. These were

popular revolts against unpopular regimes; if socialists are unable to come to terms with this reality, the future of socialism is indeed bleak." (Ibid., p. 1.) On this point at least we can agree with comrade Slovo. But the question is: how was it possible that after decades of this "socialism" the majority of the working class found itself involved in *popular revolts* (Joe Slovo's own words) against the regime? Something was clearly badly wrong. But what?

He says that "commandist approaches took root during Stalin's time", but where did these "approaches" come from? What did they reflect? What class interests did they represent? To these

questions, no answer is forthcoming. Nor is any reason given as to why the terrible phenomenon which mysteriously appeared "during Stalin's time" should have continued to exist for decades after Stalin's death, and reached the point where they led to *"popular revolts" supported by the majority of the working class*. Such developments cannot be ascribed to insignificant little deviations ("spots on the sun" as someone once put it) but must be the product of profound and irreconcilable differences of interests between different social groups. What groups? Again, no answer is given.

Slovo states that "the fundamental

distortions which exist in the practice of existing socialism cannot be traced to the essential tenets of Marxist revolutionary science. If we are looking for culprits, we must look at ourselves and not at the founders of Marxism". Nevertheless, throughout the pamphlet he persists in describing these regimes as "*socialist*".

These lines are an improvement on the position held by the leadership of the SACP for decades which, in common with the other Communist Parties internationally, was one of *uncritical support for the Russian bureaucracy*. For example, let us recall the report of Yusuf Dadoo (national chairman) and

Moses Mabhida (general secretary) of the SACP on their visit to the 26th Congress of the CPSU as recently as 1981:

"The Congress hall was filled with delegates who had, by their honest labour and toil for the common good, richly deserved the highest honours and distinctions which the CPSU and Soviet government could bestow on them. These delegates were no arm-chair theoreticians. They were the life and blood of the heroic Soviet peopleÉ

"Here were the heirs of the great Bolsheviks, no less fervent in their commitment to create a better life, not

only for their own people, but for all humanity. *There is no other party which has produced such selfless, devoted and disciplined Communists, such tenacious fighters for peace, freedom and socialism.*" (African Communist, 3rd Quarter, 1981, p. 48, my emphasis.)

As we have seen, at this time the bureaucracy had ceased to play a progressive role. The economy was in trouble. The corruption of the bureaucracy was common knowledge. Yet these fraternal delegates saw nothing, heard nothing, knew nothing. Yet, as Joe Slovo tells us, the conditions were already being laid for a massive social crisis--including popular revolts!

From time to time, the Communist Party leaders criticise the "bureaucracy" of the former Russian and East European regimes, but this very criticism shows that they do not know what bureaucracy is. They confuse it with mere red tape-- i.e. the most superficial and trivial manifestations of bureaucracy, and thus draw attention away from the essence of the matter--a monstrous ruling caste of privileged functionaries, engaged in looting the state and lording it over the working class. Such a ruling caste needs an oppressive totalitarian regime, with secret police and the complete denial of workers' rights, and can exist on no other basis.

"*In some cases,*" writes Slovo, "the deformations experienced by existing socialist states were the result of *bureaucratic distortions* which were rationalised at the ideological level by a mechanical and out-of-context invocation of Marxist dogma. In other cases they were the results of a *genuinely-motivated but tragic misapplication of socialist theory* in new realities which were not foreseen by the founders of Marxism." (Slovo, op. cit., p. 11, my emphasis.)

So that's it! *It was all a tragic mistake, the result of a little misunderstanding by sincere but misguided people.* It is no accident that none of these parties has

proposed going back to Lenin. That same Lenin who worked out the famous four points which are the prior conditions, not for communism or socialism, but for the initial stages of workers' power--that is, for a healthy workers' state at its very inception. Nor have they understood the causal relationship between the bureaucratic degeneration of the Russian Revolution and the theory of socialism in one country, which they still accept. They still have not understood that this idea was an expression of the interests of the bureaucracy, not the working class.

Having abandoned Marxism, and also having lost their previous point of

reference in the so-called "real socialism" of the bureaucratic regimes in the East, they continue to attempt to portray the regimes in China, Cuba and Vietnam as genuine socialism. They do not see that here also essentially the same conditions pertain, and they will end up with the same consequences. Of course, it is necessary to support Cuba against the impositions of US imperialism. No serious person can doubt the great advances made by the Cuban people thanks to the abolition of landlordism and capitalism, as was also the case in Russia. But Cuba is no more "real socialism" than Russia in the past, although the Castro regime undoubtedly retains the support of wide layers of the

masses. A genuine regime of workers' democracy in Cuba would necessitate the running of society by democratically elected soviets. This would be resisted by might and main by the Cuban bureaucracy, which is essentially no different to its Russian equivalent.

The false position of the official Communist Party leaders in relation to Stalinism is only the other side of the coin of their abandonment of Marxism and their attitude to capitalism and the bourgeois state, and all that flows from it. One thing flows from the other. Having in the past accepted uncritically all the crimes of the Stalinist regime, with the collapse of Stalinism, they have

abandoned the revolutionary road altogether. This is the case of the majority of the old leaders, at least. However, the matter does not end there.

The collapse of Stalinism has sent new shock waves through the ranks of the Communist Parties, causing a ferment of discontent, questioning and discussion. Not only the workers and the youth, but even the most thoughtful elements in the leadership are searching for an explanation and an alternative to the old discredited ideas and methods. They understand the impossibility of defending the Stalinist past, but do not want to abandon communism. They are honestly seeking the road to

revolutionary Marxism. Many of them can find the way and play a decisive role, but only once they have firmly discarded the baggage of Stalinism and returned to the ideas of genuine Bolshevism, as summed up in the writings of Lenin and Trotsky.

After decades of opportunist politics, and with the enormous pressures of capitalism in the long postwar upswing, the process of nationalist and reformist degeneration of the Communist Parties was completed. They became just like any other reformist organisation. Breaking from Moscow, they felt increasingly under the pressure of their own capitalist class and bourgeois

public opinion. This is the real meaning of so-called Eurocommunism. With the fall of Stalinism after 1989, this process has been further intensified. In Belgium, Britain and Norway, the Communist Party has virtually collapsed as a result. In Britain the former Communist Party "theoretician" Eric Hobsbawm has completely capitulated to capitalism and stands to the right of the Labour lefts. The ideological bankruptcy of the CP was summed up by Chris Myant, international secretary of the CPGB, who stated that the October Revolution was "a mistake of historic proportions." The British Communist Party has ended up in a complete fiasco, split into four tiny groups. The Spanish Communist

Party, which could have taken power in 1976-77, is a shadow of its former self.

This has taken place on the eve of a new deep crisis of capitalism on a world scale, which may provoke even more convulsions in the Communist Parties. The best elements will find the way back to the real traditions and ideas of October. But in the Communist International and the Communist Parties, nothing remains of the old revolutionary ideas and perspectives. A fresh new banner is required. The banner of revolutionary Marxism. This will take as a starting point the fundamental ideas of the first four Congresses of the Communist International, developed by

Leon Trotsky and the Marxist tendency over the last 70 years. Only thus will communism be regenerated. The prior condition for this is to draw a serious balance sheet of the experience of reformist policies carried out by both the Communist Parties and the Socialist Parties over decades.

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Russia:

**from Revolution to
counterrevolution**

Part Eleven:

Once again: the class nature of the Russian state

The Marxist method

"History knows
transformations of all sorts."

Lenin.

The question of the class nature of Russia has been a central issue in the Marxist movement for decades. Now, with the collapse of the USSR and the movement in the direction of capitalism, this question assumes an even greater importance. It is not possible to grasp the processes that are taking place in Russia from the point of view of formal logic and abstract definitions. In elementary chemistry, a simple litmus test is sufficient to reveal whether a substance is acid or alkaline. But complex historical processes do not admit such a simple approach. Only the dialectical method, which takes the process as a whole and concretely analyses its contradictory tendencies as

they unfold, stage by stage, can shed light on the situation. Endless mistakes occur when we attempt to base ourselves on chemically pure abstractions instead of real historical processes. Thus, we know what a trade union and a workers' party is supposed to look like. But history knows of all kinds of weird and wonderful variants, of the most monstrously bureaucratized trade unions and corrupt reformist parties. A workers' state is roughly like a trade union in power. Under conditions of extreme backwardness, such a state can experience a process of bureaucratic degeneration. Stalinism, as Trotsky explains, is a peculiar variant of Bonapartism--a regime of proletarian

Bonapartism.

It is not uncommon to hear even experienced Marxists refer to the Soviet Union, China and Eastern Europe as "workers' states". This is an unforgivable misuse of Marxist terminology. As early as 1920, as we have seen, Lenin gave Bukharin a rap over the knuckles for referring to Russia as a "workers' state". He insisted that it was necessary to add "with bureaucratic deformations". Of course at that time these were comparatively mild deformations. Russia was a relatively healthy workers' state then. There is no comparison with the ghastly bureaucratic-totalitarian monster that

emerged under Stalin. Suffice it to recall Trotsky's remark that, if you leave aside the nationalised planned economy, then the state in Stalin's Russia could only be compared to a fascist state. To describe that monster as a workers' state without further qualification is simply an abomination.

The demand for an immediate answer to the question "workers' state or capitalism" seems to have the virtue of clear definition and even political firmness. But in nature, as in society, the attempt to impose a final solution when dealing with unfinished processes is the source, not of clarity, but of endless confusion and mistakes. When it is a

question of transitional formations, demands for a black and white, "either/or" solution reveal, not intellectual rigour, but only a formalistic frame of mind which, in its haste to "solve" a problem by applying an external definition in a thoughtless fashion, does not deal with the real processes at all. Nor are formal analogies much use here. What is taking place in Russia has no real precedent in European history since the fall of the Roman empire. If the movement towards capitalism is finally accomplished, it would signify the destruction of all the gains of the October Revolution. This did not occur, for example, with the French Revolution, where the gains of

the Jacobean-plebeian movement were liquidated by the Thermidorian reaction in 1794. Thereafter, the movement in the direction of reaction went very far--from Thermidor to the Directorate, Bonapartism, the restoration of the Empire and a new aristocracy, and even the restoration of the Bourbon monarchy on English and Prussian bayonets after 1815. Yet through all these changes, the basic socio-economic gains of the Revolution of 1789-93 remained intact. The fundamental question was the new property relations raised on the foundation of the breaking up of the big feudal estates and the establishment of a mass of small peasant proprietors.

Likewise, the political counter-revolution carried out by the Stalinist bureaucracy in Russia completely liquidated the regime of workers' Soviet democracy, but did not destroy the new property relations established by the October Revolution. The ruling bureaucracy based itself on the nationalised, planned economy and played a relatively progressive role in developing the productive forces, although at three times the cost of capitalism, with tremendous waste, corruption and mismanagement, as Trotsky pointed out even before the war when the economy was advancing at 20 per cent a year. The problem which we now face was also faced by Trotsky in

the 1920s and 1930s, when he had the task of analysing the phenomenon of Stalinism. For certain ultra-lefts, the problem was a simple one. The Soviet Union, in their opinion, was already a new class society as early as 1920. All further analysis was therefore superfluous! There was a fundamental difference between this formalism and the careful dialectical method of Trotsky. He painstakingly traced the process of the Stalinist counter-revolution through all its stages, laying bare all its contradictions, analysing the conflicting tendencies both within Soviet society and within the bureaucracy itself, and showing the dialectical interrelation between developments in the USSR and

on a world scale.

Here is how Trotsky describes his own method of analysis:

"To define the Soviet regime as a transitional, or intermediate, means to abandon such finished social categories as capitalism (and therewith 'state capitalism') and also socialism. But besides being completely inadequate in itself, such a definition is capable of producing the mistaken idea that from the present Soviet regime only a transition to socialism is possible. In reality a backslide to capitalism is wholly possible. A more complete definition will of necessity be complicated and

ponderous.

"The Soviet Union is a contradictory society halfway between capitalism and socialism, in which: (a) the productive forces are still far from adequate to give the state property a socialist character; (b) the tendency toward primitive accumulation created by want breaks out through innumerable pores of the planned economy; (c) norms of distribution preserving a bourgeois character lie at the basis of a new differentiation of society; (d) the economic growth, while slowly bettering the situation of the toilers, promotes a swift formation of privileged strata; (e) exploiting the social

antagonisms, a bureaucracy has converted itself into an uncontrolled caste alien to socialism; (f) the social revolution, betrayed by the ruling party, still exists in property relations and in the consciousness of the toiling masses; (g) a further development of the accumulating contradictions can as well lead to socialism as back to capitalism; (h) on the road to capitalism the counter-revolution would have to break the resistance of the workers; on the road to socialism the workers would have to overthrow the bureaucracy. In the last analysis, the question will be decided by a struggle of living social forces, both on the national and the world arena.

"Doctrinaires will doubtless not be satisfied with this hypothetical definition. They would like categorical formulae: yes--yes, and no--no. Sociological problems would be certainly simpler, if social phenomena had always a finished character. There is nothing more dangerous, however, than to throw out of reality, for the sake of logical completeness, elements which today violate your scheme and tomorrow may wholly overturn it. In our analysis, we above all avoided doing violence to dynamical social formations which have no precedent and have no analogies. The scientific task, as well as the political, is not to give a finished definition to an unfinished process, but to follow all its

stages, separate its progressive from its reactionary tendencies, expose their mutual relations, foresee possible variants of development, and find in this foresight a basis for action." (Leon Trotsky, *The Revolution Betrayed*, pp. 254-6.)

The problem of the class nature of the Soviet Union occupied Trotsky's attention right up to his death. Right to the end, he was always extremely conditional on the question of the future evolution of the USSR, while maintaining a principled position on the defence of the Soviet Union in the war. He did not expect the Stalinist regime to last as long as it did. True, in his last

work Stalin, he did suggest that the regime might last for decades in its present form, but the book was unfinished at the time of his assassination, and he was unable to develop this idea further. After the war, in a series of works, which, at the time only reached a very small audience, I attempted to develop and extend Trotsky's analysis of proletarian Bonapartism. (See particularly *The Marxist Theory of the State*, the *Reply to David James*, and later on, the documents on the *Colonial Revolution* written in the 1960s and 1970s).

What defines the class nature of the state from a Marxist point of view is

undoubtedly property relations.

However, here too, the relation is not automatic, but dialectical. The state is not the direct expression of the ruling class--whether it is the bourgeoisie or the working class. Under certain conditions, the ruling clique can manoeuvre between the classes and eliminate the existing property relations. This was the case with the army caste in Syria, Burma, Ethiopia, Afghanistan, as I believe only our documents were able to explain. Now in Russia and Eastern Europe we have a peculiar variant of the same process, but in reverse.

The unusual variant of Bonapartism in Stalinism can only be explained by the

fact that the state has raised itself above society. Trotsky predicted that the bureaucracy, particularly its upper layers, would inevitably seek to guarantee its power and privileges by transforming itself into a ruling class. Within a particular historical concatenation of circumstances, the pro-bourgeois wing of the bureaucracy has, for the time being, gained the upper hand. Leaning on world imperialism and the nascent bourgeoisie--the millions of crooks, spivs, and black marketeers, who already existed in the pores of Soviet society--they have already gone a long way in this direction, without provoking a civil war. This is a peculiar mechanism for the carrying out of the

counter-revolution. But it is no more peculiar than the "workers' state" from which it arose, or the peculiar way in which the regimes of proletarian Bonapartism established themselves in Eastern Europe, Africa and Asia.

Up to the present time, and contrary to what Trotsky had anticipated, the bourgeois wing of the bureaucracy has partially succeeded in carrying out the counter-revolution in a "cold" way. Partially, but not entirely. The process is not complete. On the basis of the frightful economic and social collapse, not only the working class, but a section of the bureaucracy is beginning to swing the other way. It is possible that this

process could lead eventually to civil war. This perspective depends on the movement of the working class, and also partly on which way the army will react. This question cannot be determined in advance. It will depend on a whole series of factors on the national and international scale.

Of course, we have the classical models of revolution and counter-revolution which are familiar to anyone who has read a few lines of Lenin. But there are many other variants known to history. In the nineteenth century, the transition from feudalism to capitalism in Japan was accomplished through the mechanism of the bureaucracy, which, under a peculiar

set of circumstances, shifted from one class basis to another without a revolution or civil war. Of course, the transition to capitalism was not a pure one--there were many elements of feudalism in it, which were only eliminated (in another peculiar variant) by the US occupying forces after 1945, under the pressure of the Chinese Revolution. All these events further illustrate the enormous complexity of the question of the state. In 1989 in Eastern Europe, the old regime collapsed without a whimper. In the same way, under certain conditions, it is possible that a bourgeois regime in the West could collapse when confronted with a massive movement of the working class

which draws behind it a big section of the petty bourgeoisie. History indeed knows all kinds of transformations!

Successive approximations

As Marx long ago explained, there is no such thing as a supra-historical blueprint. It is necessary to take the material objective reality as it is and then explain it. That is the method of Marxist philosophy. It is not only necessary to see objective reality as it is, but to explain the process that brought it into being, the contradictions encompassing it, the law of social movement which it represents and the future processes of contradictions and change which will

envelop it. Its process of birth, development, decay and the changes which will destroy it.

In In Defence of Marxism, Trotsky outlines the way in which a Marxist would pose the question of the class nature of the Russian state:

"(1) What is the historical origin of the USSR? (2) What changes has this state suffered during its existence? (3) Did these changes pass from the quantitative stage to the qualitative? That is, did they create a historically necessary domination by a new exploiting class?" (Trotsky, In Defence of Marxism, p. 68.)

There were many turning-points on the

road of the bureaucratic counter-revolution in the period 1923-36. This was by no means a preordained event. The final victory of Stalin was not determined in advance. As a matter of fact, up till 1934, Trotsky held the position that it was possible to reform both the Soviet state and the Communist Parties, a position that led to frequent conflicts with the ultra-lefts. Trotsky's dialectical method was one of successive approximations, which followed the process through all its stages, showing concretely the relation between the class balance of forces in Russia, the different tendencies in the Communist Party and their relationship to the classes, the evolution of the world

situation, the economy, and the subjective factor. It is true that he varied his analysis at different times. For example, he initially characterised Stalinism as bureaucratic centrism, a formula which he later rejected in favour of the more precise proletarian Bonapartism. These changes do not reflect any vacillations on Trotsky's part, but only the way in which his analysis accurately followed the process of bureaucratic degeneration as it unfolded.

The method of our analysis of the present events in Russia is in no way different from that of Trotsky. There is not the slightest doubt that the movement towards capitalism in Russia not only

exists, but has gone quite far. However, from the standpoint of Marxist analysis, this does not exhaust the problem. The question is: has the process of capitalist restoration reached the decisive point where quantity becomes transformed into quality? Put another way: do we consider that the new property relations have established themselves unequivocally, in such a way that the process is irreversible? Or, on the contrary, is it possible that the movement towards capitalism can be reversed? Upon the answer to this question many things hinge. It is therefore necessary to approach the question very carefully indeed. To determine the class nature of the Russian state it is not sufficient to

refer to the percentage of the economy in private hands. It is necessary to analyse the process as a whole, to lay bare the relations between the different class forces involved, and show how the central contradiction is likely to be resolved.

It is possible to have a workers' state with 100 per cent private ownership of the means of production, and also to have a bourgeois state with 100 per cent state ownership. The former was the case with the Paris Commune. The first workers' state in history did not even nationalise the Bank of France, an omission which, as Marx explained, was one of its most serious errors. Even in

the first phase of the Russian Revolution, the Bolsheviks did not proceed immediately to nationalise industry. There was workers' control through the soviets, and for about 12 months most of industry remained formally in private hands. The same contradiction would have existed if the capitalist counter-revolution had overthrown the Soviet power. Incidentally, this was a real possibility for a decade after October. Only the correct policies of Lenin and Trotsky prevented it. If Bukharin's position had triumphed, there could have been a capitalist restoration even in the 1920s. This fact is sufficient, on the one hand, to show how the historical process is not at all automatic or predestined, as

economic determinists imagine, and on the other hand reveals the decisive role of the subjective factor.

To put the question more clearly still, if Hitler had succeeded in defeating the Soviet Union, what would have happened? The victors would have imposed a fascist regime in the USSR, with a programme of the most savage capitalist counter-revolution. But they could not succeed in carrying this out all at once. They would have had to proceed gradually, as Trotsky predicted, beginning with agriculture, then light industry, and finally denationalising the decisive sector of heavy industry. Even then, it was likely that a big proportion

of heavy industry would remain in the hands of the state, which, despite this, would be a bourgeois state from start to finish. These examples are sufficient to demonstrate the correctness of the general proposition that, in order to determine the class nature of a state, it is not enough merely to publish the statistics of ownership. It is also necessary to determine the direction in which society is moving, and, in Lenin's phrase, to say "who shall prevail?" In our view, it is not yet possible to give a definitive answer to these questions.

Dealing with the mechanics of a bourgeois counter-revolution in Russia, Trotsky explains:

"Bourgeois society has in the course of its history displaced many political regimes and bureaucratic castes, without changing its social foundations. It has preserved itself against the restoration of feudal and guild relations by the superiority of its productive methods. The state power has been able either to co-operate with capitalist development, or to put brakes on it. But in general the productive forces, upon a basis of private property and competition, have been working out their own destiny. In contrast to this, the property relations which issued from the socialist revolution are indivisibly bound up with the new state as their repository. The predominance of socialist over petty

bourgeois tendencies is guaranteed, not by the automatism of the economy--we are still far from that--but by political measures taken by the dictatorship. The character of the economy as a whole thus depends upon the character of the state power." (Trotsky, *The Revolution Betrayed*, p. 250.)

We have a duty to say what the class nature of the Russian state is. But this must be approached from a dialectical, not a formal point of view. Here too we are dealing with a process that is not yet finished, and therefore it is impermissible to demand a finished, once and for all definition. It is necessary to see the process as a whole,

and to determine at what point the decisive break occurs. In the historical examples already mentioned, the answer is quite clear. When the workers of Paris smashed the old state apparatus, they took political power into their hands and began the task of transforming society. Had the Commune not been overthrown by the Versailles reaction, it would have inevitably moved to expropriate the capitalists. The contradiction between a workers' state and an economy in the hands of the exploiters had to be resolved one way or another. In France it was resolved when the bourgeois joined hand with monarchist reaction to crush the Commune. In Russia, the Bolsheviks used state power to carry out

the expropriation of the landlords and capitalists.

The same decisive break could be seen in the opposite process. The victory of Hitler over the Soviet Union would have been the result of a terrible military defeat. The victorious fascists would have destroyed the old state apparatus and replaced it with a new one which would answer to their needs. It is true that a part of the old Stalinist bureaucracy would have collaborated, and been incorporated into the Nazi state, but this does not alter the fact that the change would have been accomplished by the most violent struggle imaginable. Is it possible to

maintain that a similarly decisive change has taken place now?

At what point can one say that a qualitative transformation has occurred? If the majority of the economy, including all the decisive sectors, were firmly in the hands of private owners, this would represent a fundamental change. The law of motion of a planned economy would be replaced by those of the market. We would be in an entirely different situation. At present, it is true, the old order has broken down, but, although strenuous efforts are being made to move in a capitalist direction, *nothing stable has yet been put in its place*. This means that the whole situation remains

incomplete, fluid and unstable.

Understanding the problem

When analysing the development of society, economics must be considered the dominant factor. The superstructure which develops on this economic base separates itself from the base and becomes antagonistic to it. The essence of the Marxist theory of revolution is that economy is ultimately decisive because in the long run the superstructure must come into correspondence with the existing property relations. Once we abandon the criterion of the basic economic structure of society, all sorts of superficial and arbitrary constructions

are possible. However, the bare affirmation that, in the last analysis, the class nature of the state is decided by property relations is insufficient.

In the Preface to the Critique of Political Economy, Marx explained that the sum total of the relations of production constitutes the real foundation upon which all aspects of social life--the state included--are grounded. Property relations is merely a legal expression for these relations of production. However, this relationship is neither direct nor automatic. If that were the case, revolutions would not be necessary. The whole history of class society proves that this is not the case. On the contrary,

for long periods the superstructure can stand in open contradiction to the demands of the productive forces. Nor does the state at all times directly reflect the ruling class in a given society, as we saw in the first part of the present work. The relationship is complex and contradictory, in other words *dialectical*.

The Soviet Union is a good example of this dialectical relation. The nationalised planned economy was in contradiction to the bureaucratic state. This was always the case. Even in the period of the first Five-Year Plans, the bureaucratic regime was responsible for colossal waste. This contradiction did

not disappear with the development of the economy, but, on the contrary, grew ever more unbearable until eventually the system broke down completely.

The crisis of Stalinism had nothing whatsoever in common with the crisis of capitalism. The latter is the result of the anarchy of the market and private ownership. To this must be added the limiting character of the nation state, which has outlived its usefulness and become a gigantic fetter on the productive forces. This explains why every country, even the biggest superpower, is compelled to participate on the world market. This was predicted in advance by Marx. It is also the reason

why the idea of socialism in one country is a reactionary utopia.

In contrast, the crisis of the Soviet Union was the result of the incompatibility between a nationalised planned economy and a bureaucratic totalitarian regime. Different illnesses require different treatments. The solution of the crisis of capitalism demands the ending of the anarchy of private property and the market. In a sense, this has already been *partially* achieved (although under capitalism it can never be really resolved) through the big monopolies. Inside one of these giants, there is planning of sorts. They make use of the most modern production methods and

can even calculate the market for their products with amazing accuracy, making use of computers and other advanced technology. The phenomenon of "just in time" production shows what would be possible under socialism on the basis of a democratic plan of production.

However, the advent of the monopolies, as Marx foresaw, does not abolish the central contradictions of capitalism, but only gives them a sharper and more extensive character. The anarchy of capitalism is not done away with, but reappears in the struggle between the giant monopolies for a bigger slice of the world market. In this, the monopolies are aided by the national state in which

they are based. The word "multinationals" is really a misnomer. Although their operations are global, they have not lost their character as national entities. Nobody thinks that General Motors is not an American firm, or Mitsubishi a Japanese one. However, the phenomenon of globalisation--which is only another way of expressing the domination of the world market--is a de facto admission of the need for a world planned economy, for world socialism. This is what Marx meant when he wrote that:

"In the case of the *world market*, the *connection of the individual* with all, but at the same time also *the*

independence of this connection from the individual, have developed to such a high level that the formation of the world market already at the same time contain the conditions for going beyond it."

(Marx, Grundrisse, p. 161, emphasis in original.)

The international division of labour is a fact. But under capitalism it assumes a monstrous unplanned, chaotic character. The most glaring manifestation of this is the so-called North-South Divide and the staggering debt of the underdeveloped world, which is currently more than \$1,900 billion. The division of the world into rival trading blocs is yet another manifestation. The

global activities of the banks and big monopolies will pave the way in the next period for a global slump, which may be of similar proportions to the 1929 crash. This is implicit in a situation where powerful monopolies are fighting for markets in every continent; where vast amounts of capital can flow freely from one continent to another at the press of a button; and where the speculation in derivatives on a world scale amounts to trillions and trillions of dollars. The attempt to avoid crises through the derivatives market will ultimately give rise to a deeper crises on far wider scale than in the past.

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The necessity for a planned economy, therefore, flows directly from the present situation of world capitalism. It is the only way in which the contradictions can be resolved. *But the attempt to reimpose a capitalist regime in Russia by no means flowed as a natural conclusion from the crisis of Stalinism. There was nothing inevitable about it. Here the subjective factor played the dominant role.* It is a crushing comment on the degeneracy of the Stalinist ruling caste that, 80 years after October, they preferred to push the Soviet Union back to capitalist barbarism rather than hand power back to the working class. This was a development which the author of the

present work had thought ruled out. And indeed for a whole period it was ruled out. As long as the productive forces in the USSR continued to develop, the pro-capitalist tendency was insignificant.

But the impasse of Stalinism transformed the situation completely.

Why did the bureaucracy last so long?

In order to explain the present evolution of the bureaucracy in Russia, Eastern Europe, China and the other regimes of proletarian Bonapartism, it is first necessary to understand how the latter arose historically. Proletarian Bonapartism arose out of the impasse of the productive forces on a world scale

under capitalism, and the delay of the proletarian revolution in the West. Under these conditions, the crisis of capitalism found its expression in a general tendency towards statisation of the productive forces. The world-wide tendency towards statisation asserted itself in the period of the postwar economic upswing in capitalism in the encroachment of the state in the advanced capitalist countries (Keynesianism, "mixed economy", etc.). Together with the huge expansion of world trade, this was one of the factors which enabled the capitalist system, partially and for a temporary period, to overcome the limitations of the system, achieving results that have no precedent

in the history of capitalism. Now it seems that the process has been thrown into reverse. This fact was a striking indication of the limits of private ownership. It was the main reason for the survival of the Stalinist regimes for a much longer period than anyone could have expected.

The tendency towards statisation of the productive forces, which has grown beyond the limits of private ownership, was manifest in the most highly developed economies and even in the most reactionary colonial countries. There is no possibility of a consistent, uninterrupted and continuous increase in the productive forces in the countries of

the so-called third world on a capitalist basis. Production stagnates or falls. In the ex-colonial world, the national bourgeoisie, having come to power on the backs of the masses, was compelled to carry out measures of nationalisation. Every one of the bourgeois demagogues--Nasser, Nkrumah, Kenyatta, Nehru, Sukarno, Nyrere--described themselves as "socialists". This fact is a reflection of the impasse of capitalism in the modern epoch, its inability to solve the problems of society, particularly in the backward economies of Asia, Africa and Latin America.

During the 1950s and early 1960s, the Soviet planned economy maintained high

rates of growth. The bureaucracy felt itself to be a progressive force. Its self-confidence was reflected in Khrushchev's speech at the 22nd Party Congress in 1961, when he boasted that the Soviet Union would overtake the USA in all fields within 20 years. The working class, despite all the crimes of the bureaucracy, was prepared to tolerate it temporarily because it was still playing a relatively progressive role in developing the productive forces.

In the period from 1948 to 1975, world capitalism temporarily succeeded in overcoming its central contradictions through the development of world trade, and, to some extent, through measures of

"state capitalism". However, as predicted by the Marxists, Keynesian policies inevitably led to an explosion of inflation. Partial statisation did not solve the problems and merely created new contradictions. The realisation of this fact has produced a swing in the opposite direction in the past period. This, in turn, is the expression of the fact that the entire postwar model of world capitalism, which for a period gave spectacular results, has exhausted itself. The attempt to go back to more "normal" methods will produce further convulsions on a world scale. We should remember the effects of the classical policies of balanced budgets and sound finance in the period between the wars.

In its desperate search for a field of investment, the bourgeoisie resorts to what is, in effect, the looting of the state through the privatisation of the nationalised industries and public utilities. Far from representing a progressive development, this is an expression of the dead end of capitalism. Of course, in the short term, spectacular profits are made by the big monopolies, but only at the cost of further closures, sackings, cuts in living standards and state expenditure, which must mean a further reduction of the market and aggravation of the crisis. The enthusiasm of the bourgeoisie for these policies is proof of the old saying, "whom the gods wish to destroy, they first make mad".

Not content with the results of this policy at home, they seek to inflict it on the whole world. The same search for a field of investment leads them to compel the ex-colonial countries to go down the same road of denationalisation. In the past, the colonial bourgeoisie was able to balance between imperialism and the deformed workers' states in Russia and China. Now this is impossible. They are forced to open their markets to predatory imperialism. Their national industries are sold off for a song, not to local capitalists, but to the big multinationals. This will prepare a mighty explosion against capitalism and imperialism in the coming period.

Every action has an equal and opposite reaction. This law applies not only to physics but to some extent to society also. The drive towards privatisation will reach its limits. This is already beginning to happen in Britain. At a certain stage, the tendency towards statisation will reassert itself.

Nevertheless, for the last ten years or so, the reaction against statisation appeared to give results, coinciding with the boom of 1982 to 1990. This had a profound effect on the evolution of Russia and Eastern Europe.

Trotsky always showed the dialectical relationship between the rise of Stalinism in Russia and the development

of world capitalism. He explained that the Thermidorian reaction in Russia would have led to the restoration of capitalism, if capitalism had not shown itself to be exhausted on a world scale. In the 1930s, the striking successes of the first Five-Year Plans coincided with the greatest slump in the history of capitalism. Although capitalism recovered in the period following the second world war, achieving annual growth rates of 5 to 6 per cent in the USA and Western Europe, and even more in Japan, the Soviet economy achieved even higher averages--ten or 11 per cent, without recessions, unemployment or inflation.

Under these circumstances, the regime of proletarian Bonapartism in Russia was able, not only to survive, but to consolidate itself. It acted as an important point of reference, together with China, to the masses of the ex-colonial world.

However, for the reasons already outlined, the system of bureaucratically controlled planned economy reached its limits by the mid-1960s. The rate of growth in the USSR declined continually throughout the 1970s. This was also the case with the other more industrialised deformed workers' states of Eastern Europe. Despite its earlier successes, proletarian Bonapartism did not solve

the problems of society. In reality, it represented a monstrous historical anomaly, the result of a peculiar historical concatenation of circumstances. The ruthless pressure of imperialism, which did not shrink from using the services of the most barbarous forces in society, brought about the collapse of the proletarian Bonapartist regimes in Mozambique, Angola and Afghanistan. The Mengistu regime in Ethiopia foundered on the rock of the national question, the Achilles' heel of all Stalinist regimes throughout history.

The situation in China was different. Starting from a more backward basis, the Chinese bureaucracy faced a position

far more similar to that of the Stalinist regime in Russia in the 1930s. The difference is shown by the fact that Beijing is developing the productive forces at a far faster rate than any other country in the world. This means that it is still able to play a relatively progressive role. Although there are important elements of capitalism, the bureaucracy maintains an iron grip on the state. Paradoxically, this is what makes China such an attractive proposition to foreign investors, although that can easily change into its opposite in the coming period.

For the time being, the rapid growth of production is the explanation of the

relative stability of the Chinese bureaucracy in contrast to the situation in Russia and Eastern Europe. The ruling elite feels confident in its historic mission. It is motivated, in part of course by the desire to preserve and augment its power, income and privileges, but also by the aim of creating a modern and powerful China (under its control, naturally). The successes of the Beijing regime gives some hope to the rulers of North Korea, Cuba and even perhaps Vietnam, where there has been little or no movement towards capitalism. China remains a point of reference for these regimes. If it were to go towards capitalism, these would also collapse. Yet, this seems unlikely as long as the

"old men" remain in control. In common with all the ex-Stalinists, they are guided by purely empirical considerations. They have taken note of the disaster in Russia, and have no intention of going down that road. However, the death of Deng opens up a new struggle as the various wings of the bureaucracy vie for supremacy. As with Russia, the future development of China will be determined by the outcome of this conflict.

How much privatisation?

The different possibilities for capitalist restoration in Russia were set forth by Trotsky in *The Revolution Betrayed*:

"A collapse of the Soviet regime would lead inevitably to the collapse of the planned economy, and thus the abolition of state property. The bond of compulsion between the trusts and the factories within them would fall away. The more successful enterprises would succeed in coming out on the road of independence. They might convert themselves into stock companies, or they might find some other transitional form of property--one, for example, in which the workers should participate in the profits. The collective farms would disintegrate at the same time and far more easily. The fall of the present bureaucratic dictatorship, if it were not replaced by a new socialist power,

would thus mean a return to capitalist relations with a catastrophic decline of industry and culture." (Leon Trotsky, *The Revolution Betrayed*, pp. 250-1.)

What strikes one is the brilliant way in which Trotsky anticipated the main lines of what is taking place in Russia at the present time. Yet there are also important differences. The class balance of forces in Russia is entirely different now. For example, Trotsky was convinced that the peasantry would be the main social support for capitalist restoration, whereas the opposite is the case. Here again, the reason is that the Stalinist regime survived far longer than Trotsky thought possible. The advances

made possible by the nationalised planned economy led to the disappearance of the peasantry altogether. The rural population of Russia, as we have shown, now consists almost entirely of agricultural proletarians who have no interest in going back to small private plots of land. The prospect of working long hours on unproductive small plots of land (a monstrous aberration from an economic standpoint) does not appeal to them--more so since the rural population consists mainly of older people. As Gorbachov found out when he attempted a timid agrarian reform, there are very few takers for such an offer. Since then, the situation has not changed

substantially. As *The Economist* complained: "After two years of radical reform, the lives of 27 million people on 26,692 state and collective farms has scarcely been touched." And the same journal pointed to some pessimistic historical analogies: "Alexander II, liberator of the serfs, was blown up. Pyotr Stolypin, Nicolas II's great reformatory prime minister, was shot."

It is true that, ultimately, the question of property relations must be decisive in determining the class nature of a state. However, as we have seen, the correlation is not always an automatic one. At decisive turning-points, the way in which a given socio-economic

formation will go is decided by a struggle between conflicting class forces. In the process, all kinds of peculiar transitional variants are possible which do not admit an easy appraisal precisely because of their transitional, that is, unfinished, uncompleted character. That the process of capitalist restoration in Russia has begun is self-evident. Indeed, it has gone quite far. But that does not exhaust the matter. At every stage, it is necessary to take stock of the situation. To what extent has the attempt to move in the direction of capitalism succeeded? Under the pressure of imperialism, the Russian government has privatised a large number of enterprises. Nevertheless, the

West remains sceptical. This scepticism is graphically expressed in the absence of serious levels of investment from the West. Thus by the end of 1994 foreign investment in Russia was no more than that invested in Estonia!

All kinds of claims are being made concerning the degree to which privatisation has been carried out. It is not always easy to establish the true situation. For example, it is usual to quote the percentage of GDP represented by the private sector, but, on the one hand, the definition of a private company is frequently unclear, including all kinds of co-operatives and other firms that are partly or mainly state owned, and, on the

other hand, these percentages are artificially high because of the slump of state owned industries.

The programme of denationalisation began, logically, with small workshops and what is nowadays called the service sector. The Economist (12/3/94) reported that "by the end of 1993, in many areas of the country, virtually all shops, restaurants, workshops and so on were in private hands". The denationalisation of bigger enterprises began in December 1992 when stakes in 18 firms were "sold" in exchange for privatisation vouchers which were given free to every Russian. On paper, 8,010 middle-sized and large enterprises were

privatised in this way during 1993. Between them, they employed 8.3 million workers, or about two-fifths of Russia's manufacturing workforce.

However, the picture is not so simple as these figures would suggest. In February 1993, Moscow News complained that "half the registered small businesses have never done any work at all.

Another 30 per cent barely make ends meet, and only 3.4 per cent believe they are thriving". As far as the big enterprises are concerned, Grigory Yavlinsky, head of the pro-reform group Yabloko, pointed out the peculiar nature of this type of privatisation: "What's happened so far is not privatisation, it's

collectivisation, which puts the workers and managers in charge of their enterprises. Their interest is in increasing wages, not investment. This is a new problem created by this style of privatisation." Anatoly Chubais, former minister for privatisation, admitted in the paper *Privatising Russia*, that workers and managers often end up with more than 70 per cent of the shares, and concludes that "concessions to the managers do not appear large on the surface, but in truth they are simply enormous".

By February 1994, 80 per cent of small enterprises had been sold and up to 14,000 medium and large-scale

companies were due to be privatised. "However," wrote John Lloyd in the Financial Times (22/3/94), "the financial condition of the privatised enterprises is generally no better than that of their state counterparts (sometimes worse), and the sell-offs have been attended by corruption in some 30 per cent of the cases (according to those who have seen security service estimates)."

How far has the process of denationalisation gone? The most complete set of figures on privatisation are those published by the annual Transition Report of the EBRD, which is specifically devoted to "measuring and defining" the transition to a market

economy in Eastern Europe and the countries of the former Soviet Union (FSU). The 1995 report includes very detailed statistics on all the major indices of the economies of the ex-Stalinist states up to the end of 1994. We cite it in preference to the report published in mid-1996, because it contains a more detailed breakdown of the different kinds of privatisation. The amount of privatisation has increased in the last 12 months, but not so much as to change the overall picture. We publish the 1996 statistics in appendix three.

The share of the private sector of the GDP, as estimated by the EBRD in mid-1995 varied considerably, from 70 per

cent in the Czech Republic and 65 per cent in Estonia to 35 per cent in the Ukraine, 30 per cent in Uzbekistan and Moldova, 25 per cent in Azerbaijan and Kazakhstan, and a mere 15 per cent in Belarus, Tajikistan and Turkmenistan. The figure given for the Russian Republic was 55 per cent, but closer scrutiny show that this figure is misleading. In all these states decisive sections of the economy remain in the hands of the state. On the other hand, what passes for privatisation is a very peculiar animal in many cases. In order to prevent bankruptcy and closure, the bureaucrats of large enterprises have combined with the workers to "buy" the firm, and the very next day demand

subsidies from the state to keep it open. It is not quite clear in practice what the difference is between the situation of such firms before and after privatisation!

The 1995 EBRD report distinguished very carefully between real private ownership ("pure" private sector) and other forms of privatisation such as worker-manager buy-outs, which they do not regard as genuinely capitalist concerns. Frequently, these companies, though formally part of the private sector, are still heavily enmeshed in the state, involving little or no private capital. The fact that this is not just a detail is shown by the fact that the EBRD keeps special tables to show the

difference between the private sector and the "non-state" sector. (See appendix three.)

Thus, in Russia, the "non-state" sector in 1994 was estimated to account for 62 per cent of GDP, but the real private sector was only 25 per cent. The figures for the Ukraine were even more striking—the "non-state" sector was put at 41 per cent in 1993, but the real private sector amounted to a mere 7.5 per cent (the 1995 figures were not available, but there is no reason to suppose that the proportion would be much different). In Belarus, where privatisation has hardly advanced at all, the percentage of the workforce employed in the "non-state"

sector in 1994 was put at 40.2 per cent, but the figure for the real private sector was only 6.2 per cent. The situation in Latvia was very different. Here the non-state sector is mainly composed of private concerns: the figures of those employed in the non-state sector (58 per cent) differed only slightly from those in the private sector (53 per cent).

The red factory directors

The relatively large number of firms which took advantage of the voucher system to stage worker-management buyout schemes represented a manoeuvre on the part of the managers to hang onto their jobs. This was confirmed

by The Economist article which concludes that: "Privatisation has merely legalised the grab for property by the 'red factory directors.' Instead of trying to make their companies more competitive, these peoples main aim is to strike a deal with their worker-shareholders that no manager will be sacked so long as business continues as usual."

The main interest of the industrial wing of the bureaucracy is to maintain control of their enterprises at all costs. The problem is that, if the reform programme had been carried out, many of these factories would be closed. The real position of these bureaucrats was well

summed up by an article in Russian Labour Review: "Entranced at the thought of becoming capitalists, the managers are often dismayed at the prospect of becoming the major shareholders in bankrupt piles of scrap metals." (Russian Labour Review, issue 2, p. 33.)

Privatisation was intended to improve the competitiveness of the enterprises and boost production. It has had the opposite effect. The voucher system cannot raise capital. Nor does it mean the spreading of ownership over a large number of people. Most people sold their vouchers as quickly as possible to get money for food. Thus, in place of inefficient and

corrupt state monopolies, we have the creation of even more inefficient and corrupt private monopolies. This is a recipe for disaster. The huge amount of inter-enterprise debt, and the certainty of large scale unemployment if big firms are allowed to go bankrupt, means that, given the composition of the Duma, and the actual balance of forces, the state would continue to plug the gap with huge subsidies. Unless and until this problem is resolved, the situation will remain unviable.

The figures for the composition of ownership in Russia published by Earle, Estrin and Leshchenko in 1995 show that, out of 439 industrial firms chosen at

random, 110 were owned by the state, 140 were workers' co-operatives, 40 had been taken over by the managers, and only 35 were owned by private capitalists, either Russian or foreign (outsiders), and a further 45 were new enterprises (de novo). The state maintained a majority share in 30 per cent of the firms, despite privatisation. Workers and managers hold 51 per cent of the shares in nearly 70 per cent of all privatised companies. The 1995 EBRD report of privatisation in Russia, Hungary, Poland and the Czech Republic concludes that:

"The four countries examined have adopted very different approaches to

privatisation, and this has yielded different government structures within the privatised enterprise sector. Several tentative conclusions, largely confirmed by the evidence presented above [see appendix three], can be drawn about these structures. First, state ownership, with large insider ownership, has remained important in most countries. Second, insider ownership, with dominant employee stakes and reportedly managerial control is extensive in Russia, and to a lesser extent in Poland. Third, outside ownership has emerged on a large scale in the Czech Republic, and to a smaller scale in Hungary, but dominant foreign ownership is more common in Hungary

and this is more likely to be concentrated ownership with stronger control rights." (EBRD Report, 1995, p.132.)

The thing to see here is the extreme caution with which the strategists of capital approach the situation, which they clearly characterise as a process of transition which has not yet been completed. The picture that emerges is of a hybrid economy in which the capitalist elements are struggling to assert themselves over the state sector, which retains a powerful presence. The process has proceeded in an uneven fashion, being further advanced in the Czech Republic, Hungary and, to some

extent Poland, but the situation in Russia, which is the decisive question, is still far from being resolved in a satisfactory way from the standpoint of international capital.

The 1996 EBRD report says: "The Russian voucher-based privatisation rounds during 1993-94 led to the ownership transfer for more than 15,000 medium-to large-scale enterprises, employing more than 80 per cent of the industrial labour force. This voucher-based scheme gave preference to management and employees and has only to a modest extent resulted in increased performance pressure on management from outside ownersÉ The cash-based

second phase of the privatisation got off to a slow start in the first three quarters of 1995. While a number of high profile sales were undertaken the circumstances under which the auctions were held were in some cases the source of significant controversy. The pace of privatisation slowed in the first half of 1996."

The 1996 report includes a table which attempts to establish a rough estimate of how far down the road of capitalist restoration the economies of Russia and Eastern Europe have gone. Inevitably, the criteria used are somewhat arbitrary. For example, the percentages for the private sector are based entirely on

output. This gives a distorted impression since it leaves out of account both *the numbers employed and the value of assets* of the firms under consideration. But without this information it is not possible to obtain a precise idea of the relative weight of the different sectors in the national economies. Moreover, it does not take into account the collapse of production in the state sector which would normally include large-scale heavy industry, and therefore gives an exaggerated weight to the service sector, small businesses and the like. Thus, the statement that in most of these countries more than half the GDP is produced by the "private sector", while it is significant, is not at all

conclusive.

The most interesting part of the report is the table which attempts to establish how far the movement towards capitalism has gone. The authors specify four separate criteria for the success of the transition to capitalism: 1) percentage of output produced by the private sector 2) functioning of the market 3) the role of the financial sector and 4) reform of legal system. The countries are listed in four columns and given points out of four. So to have a fully functioning capitalist economy, a country should get four out of four. None of them do. The Czech Republic, Hungary and Estonia come very close,

but all the others have some problem or other, and the majority are still quite far off from an adequate score. Despite the rudimentary and rather arbitrary character of this chart, it still shows that, even now, the process of capitalist restoration remains incomplete in the big majority of the former Stalinist states.

Let us take the first column. Category one (1) means "little private ownership"; (2) means that the process of denationalisation has only just begun; (3) means that more than 25 per cent of large-scale enterprises are privatised or "in the process of being privatised"; and (4) means that more than 50 per cent has been denationalised. This means that, out

of the 25 countries listed, in all but three of them (Czech Republic, Estonia and Hungary), of large-scale enterprises, *the state sector still amounts to more than half the total*. The second column (small-scale privatisation) reveals a very different picture. No fewer than 14 countries scored four points here. *This shows conclusively that the big majority of the private sector in Eastern Europe and even in Russia still consists of small businesses*. The large percentage share of the private sector in total output (in Russia it is 60 per cent) is therefore mainly an expression of the catastrophic fall of production in the key heavy industrial sector. But this is decisive for the long-term success of the

economies and in particular for jobs.

The table also shows that the pace of capitalist restoration remains extremely uneven. In some countries it has scarcely begun (Belarus, Azerbaijan, Tajikistan, Turkmenistan). The Ukraine also lags behind. In others, including Russia, it has gone further, but the report strikes a note of caution, warning that "Despite impressive advances in market-oriented reform, further major challenges lie ahead in much of the region, including in those countries that have moved the furthest in their market-oriented transition, such as those that have become members of the OECD (the Czech Republic, Hungary and Poland)É"

It adds that "the scale of the restructuring problem inherited from the old regime is vast, and the adaptation of production patterns and methods to the conditions of a market economy may take many years. Access by private investors in the region to long-term finance for investment remains limited". Moreover, it notes that in agriculture the situation remains "largely unchanged".

Thus, the strategists of international capital see many difficulties ahead. They say that the consolidation of capitalism will take "many years". But in this space of time there can be all sorts of developments, both internally and externally that can affect the process.

The experience of the market economy is already provoking a reaction. The recent scandal in Albania, where the collapse of a "pyramid scheme" led to the ruin of a huge number of people, is an example of this. This in turn has provoked mass demonstrations throughout Albania, and an uprising in the towns in the south of the country. This explosion, which could easily lead to the overthrow of the pro-bourgeois regime, is indicative of the processes taking place in the former Stalinist states. (See Revolution in Albania, by Alan Woods, London, March 1997)

Most importantly, a severe recession in world capitalism will hit these

economies very hard. "For the transition to be successful (in the sense that it helps promote development), it must be accompanied by stabilisation," says the report. But that is not likely to happen, as the events in Albania demonstrate. On the contrary. The insistent demand for "restructuring" is shorthand for the wholesale destruction of large-scale industry and consequent mass unemployment. These regimes will pass through one convulsion after another on the economic, social and political plane.

Is capitalist restoration possible?

Is it therefore excluded that a "normal" capitalist regime might succeed in

Russia? Theoretically, it is not excluded. But it is necessary to pose the question not theoretically but concretely. Under what conditions would it be possible? If the working class remains passive; if the bourgeois government can push through the present phase of its "reform" programme; if Russia could tolerate unemployment in excess of 25 million without a social explosion; above all, if we are on the eve of a new period of capitalist expansion on a world scale comparable to that of 1948-74--then, almost certainly, Russia could enter into a phase of capitalist development which would rapidly turn her into one of the mightiest countries in the world. The same would apply to China, perhaps

even more so. *But these are very big "ifs" indeed!*

True, the process has gone further in some of the countries of Eastern Europe, particularly the Czech Republic, Hungary and Poland. Here the decisive role is being played by the "Communist" leaders who have capitulated to the bourgeoisie and are doing the dirty work. The imperialists are quite sanguine about this. Their attitude is: if the Communists are doing our work for us, let them get on with it! We can always kick them out later on, when they are discredited.

At the moment the CP leaders in Poland

and Hungary are acting as the agents of the bourgeois, but that can change too, especially if there is a slump in the West, or a sharp break with the market in Russia. However, if the present situation continues to exist for three or five more years, it would give time for capitalist relations to gell. The decisive section of the bureaucracy has switched to capitalism and the "Communist" Party leadership has accepted the position. In effect, the bourgeoisie rules through the "Communist" Parties in Hungary and Poland. This in spite of the fact that the masses voted Communist in order to oppose capitalism. They wanted to have a socialist regime but on a democratic basis.

However, there are important differences between Russia and Eastern Europe. Whereas the latter saw "communism" as something imported from without, for the Russian workers, the only tradition they possess is that of Bolshevism and October. It is part of their history. In Eastern Europe the Stalinist regime lasted just over 40 years. In Russia, the memory of the Revolution and its achievements is twice as long, more than enough time for it to sink deep roots in the collective consciousness. For all these reasons, the bourgeoisie regards the CPRF as a different sort of animal to the parties in Eastern Europe. More importantly, the Russian working class can exercise an

enormous pressure upon it. This is what causes most apprehension in the West. It is possible that, if Zyuganov comes to power, he will attempt to carry out a "Polish" policy. In fact, he was recently reported to have said that he was willing to reach an understanding with Yeltsin. But for the reasons we have mentioned, it is by no means sure that he could do it.

From the standpoint of Marxist theory, a new ruling class can only emerge and establish itself on condition that it develops the means of production. We have shown that the reason for the collapse of Stalinism was that it was no longer able to achieve growth rates higher than the advanced capitalist

economies. Towards the end it did not develop the means of production at all. This meant that it was doomed.

Historically, as Marx explains, the bourgeoisie plays a progressive role because it develops the economy, thus laying the material foundation for a higher form of human society--socialism. That is the sole justification for its existence.

The same is true of individual capitalists. Marx regarded them as merely the repositories of the productive forces. Their role was to use the surplus value extracted from the workers to invest in new production. The fact that they did so out of greed, and that they

brutally exploited the labour of children and so on, was secondary. As long as they developed the productive forces they were carrying society forward. But what is the position in Russia? In the past six years there has been no development of production in Russia but the biggest collapse in world economic history.

It might be argued that this is only a temporary state of affairs, and everything will be as right as rain in the long run. But as Keynes once said, in the long run, we're all dead! There is no sign of a recovery in Russia despite all the promises. In 1996, there was a further fall of 6 per cent despite the fact that the

bourgeois economists were predicting a 10 per cent growth. Naturally, the present fall cannot continue indefinitely. No economy can permanently move downwards. Some sort of recovery may take place some time in 1997 or 1998. But in the first place it is likely to be quite feeble. In the second place, any growth must be set against the horrendous collapse of the last six years. As The Economist sarcastically put it in its Yearly Report for 1997, anything that is thrown off a cliff will tend to bounce! Sooner or later, some kind of equilibrium must be re-established. But what sort? Given the extreme weakness of the nascent bourgeoisie and the general chaos and decline, it will almost

certainly be of a very unstable character.

The productive forces of Russia were *artificially constrained* by the bureaucratic system. They had developed to a tremendous extent thanks to the nationalised planned economy, but were effectively sabotaged by the bureaucracy. The only way the problem could have been solved was through the democratic control and administration of the working class, as Lenin had intended. This could have been achieved on the basis of the advanced economy that existed in the 1980s. But the bureaucracy had no intention of going down that road. The movement towards capitalism did not arise from any

economic necessity, but out of fear of the working class, and as a way to safeguard the power and privileges of the ruling caste.

The crisis of Stalinism manifested itself in a falling rate of growth. But can the nascent bourgeoisie do any better? That is the decisive question. We have already shown the colossal achievements made by the nationalised planned economy over decades, in spite of the bureaucracy. By 1980, a tremendous productive potential existed, which the bureaucracy was unable to develop. *This is our starting point.* The question that arises is: is the bourgeoisie capable of realising that potential? If the

answer is affirmative, then we would have before us the prospect of a capitalist Russia which would rapidly challenge the USA as an economic power. Russian capitalism would not be a regime of decline as Trotsky predicted, but a mighty and prosperous superpower, and the October Revolution and the planned economy that issued from it would be mere episodes, the real significance of which was to prepare the way for the triumph of the market. But that is a supposition that remains to be proved.

Russian capitalism will stand or fall on its ability to develop the economy and above all raise the productivity of

labour. How can this be done?

Historically the main way of achieving an "economy of labour time" was by investing in labour-saving devices (machinery). This was, of course, not done out of any idealistic motives, but in the search after profit and in order to get an advantage over competitors. The contradiction is that, by increasing the amount of constant capital in relation to variable capital, the capitalist is faced, sooner or later, with the tendency of the rate of profit to fall. But that is another matter. Suffice it to say that the progressive function of capitalism consists precisely in this: that it leads to a greater economy of labour time through the general introduction of new

machinery and techniques.

We have seen that Stalinism, on the basis of a nationalised planned economy, created a colossal productive potential, but was unable to use it because of its inherent contradictions. But what is the situation now? There is very little investment in production. The nascent capitalists show no interest whatsoever in investing in productive activity, but instead engage in speculation, swindling, robbery, murder and above all the systematic plunder of the state. There can be no talk of increasing labour productivity on this basis. In fact, production has collapsed.

Such sections that are reviving are almost exclusively in the service sector and are mainly on a very primitive basis, like selling goods in the street, or small businesses, often of a dubious character, which sprout and disappear overnight. There has even been a partial return to barter. This does not signify a move towards capitalism (Marx points out that the establishment of a money economy, *and thereby the abolition of barter*, is the prior condition for a capitalist economy on even the most primitive basis), but is simply another symptom of *chaos*. Paradoxically, the prior condition for the success of the nascent bourgeoisie is *the destruction of whole swathes of Russian industry*. Of course,

we know all the arguments about creative destruction and the rest of it. But the fact is that if these plans are put into effect, it will spell calamity for the Russian economy.

Domination of world economy

The most decisive question in the long run is the world economy. Russia is far more dependent upon world markets than ever before. More dependent by far than the former Tsarist regime. On the face of it, Russia is the ideal country for foreign investors. It is potentially a big market, with a highly skilled and educated workforce on ridiculously low wages--the equivalent of seven dollars a

month for a skilled worker--and has vast natural resources. Yet we are faced with a paradox. To the present time, the amount of direct foreign private investment in Russia has been extremely low. True, after Yeltsin's election, the attitude of Western investors has changed somewhat. The level of foreign private investment doubled in 12 months from \$1 billion to \$2 billion. But this result is not as good as it seems. Even at this level, the investments remain very feeble. Just compare them to China's incoming foreign investment--\$40 billion in 1996 alone, and a total of \$120 billion in the last decade, more than 20 times the figure for Russia.

These figures refer to company investment. To this must be added bank lending, but that does not amount to much, and money spent on the Stock Exchange. That has certainly been booming of late, but this is of a highly speculative nature--gambling on stocks and shares and the purchase of government bonds--which does not necessarily provide any real benefit to the Russian economy. For example, the sale of government bonds provides the Russian authorities with cash to pay its debts, but does not assist in developing the productive forces, and must be paid back with interest. Far from representing productive investment, it is a huge drain.

Even if they did invest, they are only really interested in certain sectors, mainly oil and raw materials. Russia has indeed got vast reserves of oil, gas and all sorts of minerals. On the basis of a genuinely socialist planned economy, it could be the richest country on earth. But what the acceptance of the West's advice would do, would be to put Russia in the position of a backward third world economy that imports consumer goods and exports raw materials. That would suit the imperialists and multinationals very well. But the Russian bureaucracy and army, and even that section of the nascent bourgeoisie which had inherited the big industries, would not be so pleased! In the most optimistic scenario

it would mean that certain areas would get investment but the rest would remain backward and poor--just as before 1917.

The foreign monopolies indeed have their eyes fixed on Russia's oil, gas and raw materials. But even if they invest here, with the exception of coal, few of these sectors employ much labour. Gas is particularly capital-intensive. So investments here will not create many jobs. On the other hand, the West is using the IMF to force Moscow into allowing the unprofitable big firms to go bankrupt. Millions of workers are employed in these industries. The pressures of the IMF threatens to cause an explosion. That is why the Russian government has

been dragging its feet. Foreign capital is notoriously fickle, especially in the present epoch. It can flow in and out with amazing rapidity. At the moment the international bourgeoisie are pleased with Russia. At last things appear to be going their way. They imagine that, after Yeltsin's victory, the Communists are finished and the working class is out of the picture. They are purely empirical in their judgements, and they are wrong. The situation in Russia can change in 24 hours. Just when they are congratulating themselves that everything is settled, there can be an absolute explosion which will blow their illusions sky-high.

The question is: why is the investment in

Russia so low? The answer was given recently by the general director of the Moscow office of Deutsche Morgan Grenville, the German-owned investment bank as follows:

"I do not think anything has changed so drastically in Russia in the past few weeks. It is simply a question that a new year has come and fund managers have made new asset allocations,' he said.

'But we do not think that economic reform is irreversible in Russia, and that is why it is critical that the president remains at the helm.'

(Financial Times, 10/1/97, my emphasis.)

These comments express the attitude of the strategists of capital very clearly. At the moment the dominant tendency is in the direction of capitalism, *but it is not complete and may be reversed*. The strategists of capital are realists. They know this very well. That is why they do not invest and also why they are pressurising the Russian government to proceed with a suicidal policy.

The central problem remains *investment*. Where is the nascent bourgeoisie going to obtain its capital? It cannot get it from the peasantry, because the peasantry no longer exists. What we have in Russia is a *rural proletariat*, which has no interest in transforming

itself into a class of small proprietors. They are mainly old people. The young men, for decades, joined the army and were in no hurry to return to the village after they were discharged. Most of those left have got used to the collective system which at least gives them a certain security. That is why the plans for land privatisation have had almost no echo in the countryside, although they were first put forward by Gorbachov.

Bourgeois economists traditionally attach a great deal of importance to *savings* as another source of investment. Through the banks, building societies and pension funds, they have access to a large amount of money from millions of

small savers, all from the working class and the middle class, which they use for investments. A high rate of saving has therefore historically been an important element in the process of capital accumulation. In the Soviet Union, there was actually a very high rate of saving. This mainly reflected the lack of consumer goods which people wanted to buy.

It has been estimated that if the Soviet car industry had produced enough cars, the level of car ownership in Russia would have been higher than in Britain in the early 1980s. The cars were not produced because the bureaucracy had other priorities, but the purchasing

power was there. But what about now? Cars are still not being produced in anything like enough numbers. Foreign cars are being imported--mainly expensive Mercedes for the Mafia capitalists who pay in dollars. But the rouble savings of ordinary people have been wiped out by inflation. Quite apart from the disastrous human consequences, it does not develop the economy, but completely undermines the internal market by destroying the purchasing power of the masses and liquidating an important potential source of capital for investment.

If the bourgeoisie could really establish a firm control of Russia and achieve

something resembling stability, it could attract foreign investment. There is no reason why not, considering that Russia has a large, educated working class with extremely low wage rates. After all, they invested heavily in Tsarist Russia, and they are investing large amounts in China at the present time. The difference is that they feel (wrongly) that their investments in China are safe (they thought the same about Tsarist Russia!). But why do they not invest in Russia? They do not invest in Russia precisely because they believe that their investments would not be safe.

Marx explained the process whereby free competition begets monopoly. But monopoly in turn *prepares the way for*

state ownership. The spectacle of the big Russian monopolies enriching themselves at the expense of the people will provoke a burning sense of anger. It is not like the West where people have had generations to get used to capitalism. They might not like what flows from it, but most people regard it as inevitable and almost natural. They do not normally question the capitalists' God-given right to own industry and exploit labour. But in Russia things are different. For generations the people have got used to a society where the means of production were in the hands of the state, and the state, at least nominally, was supposed to stand for the interests of the working people. *The big*

majority believe that the owners of the privatised enterprises are just crooks who have stolen the people's property. And this is entirely correct. Capitalism has no legitimacy in the eyes of the working class. This is a very important difference with the West, and one that can have enormous consequences in the next period.

The present regime does not represent progress but a monstrous regression. The horrors of corrupt gangster capitalism are impressed upon people's minds every day that passes. They brings new meaning to the words of Engels: "It is the Darwinian struggle for existence transferred from Nature to society with

intensified violence. The conditions of existence natural to the animal appear as the final term of human development."

(MESW, Socialism Utopian and Scientific, by Engels, Vol. 3, p. 143.)

Looking back on the present period from a broader historical perspective, it will be seen that the temporary aberration was not the October Revolution, but Stalinism and the rotten regime of Mafia capitalism that attempted to replace it.

Can the Russian bourgeoisie play a progressive role?

Socialism means that the development of industry, technique, science and culture stand on a higher level than the most

developed capitalist society. In that case, there is no question of society reverting to a more backward system such as commodity production. Such elements of small commodity production that remained would gradually disappear and be replaced by superior socialist forms. Compulsion would not be necessary to the degree that the small farmers and businessmen see for themselves the immense advantages of the new economic formations. This picture of a workers' state is correct, but it is only an abstraction. The workers' state that was established in Russia in 1917 was not on a higher economic level than Britain and the USA, but on a very primitive basis. Under the

circumstances, the specific weight of the bourgeois and petty bourgeois elements was enormous. As long as the working class, represented by the Bolsheviks, maintained control of the state, the pressure of the bourgeois NEPmen and their allies, the wealthy peasants could be kept at bay. Nevertheless, the danger of capitalist restoration was very real, as Lenin and Trotsky repeatedly warned. By the end of the civil war, the process of social polarisation began to create an alarming situation:

"The peasantry," wrote Trotsky, "was becoming polarised between the small capitalist on the one hand and the hired hand on the other. At the same hand,

lacking industrial commodities, the state was crowded out of the rural market. Between the kulak and the petty home craftsman there appeared, as though from under the earth, the middleman. The state enterprises themselves, in search of raw material, were more and more compelled to deal with the private trader. The rising tide of capitalism was visible everywhere. Thinking people saw plainly that a revolution in the forms of property does not solve the problem of socialism, but only raises it." (Trotsky, *The Revolution Betrayed*, p. 26.)

Lenin had warned many times of the danger that the petty bourgeois masses in

Russia could link up with foreign capital, creating a formidable restorationist block. That is why he and Trotsky fought implacably in defence of the state monopoly of foreign trade which Stalin and Bukharin originally wanted to abolish. The victory of the Stalin faction over Bukharin's Right Opposition signified the defeat of the bourgeois restorationist trend, but did not remove the danger. The conflict between the nationalised property forms established by October and the nascent bourgeoisie at that time was solved in favour of the former. The decisive section of the Stalinist bureaucracy, in order to defend its power and privileges, leaned on the support of the

working class to crush the kulaks and NEPmen. But, under the given conditions, this did not mean the restoration of a regime of workers' democracy, but, on the contrary, the consolidation of a bureaucratic totalitarian state.

The defeat of the nascent bourgeois elements was achieved by the most monstrous Bonapartist means such as the madness of forced collectivisation which alienated the peasants and disorganised Soviet agriculture for generations. Stalin imagined that it was possible to eliminate the danger of capitalist restoration by administrative means and naked force. This was an

illusion. The real danger to the nationalised planned economy came from the extremely low level of the productive forces, low labour productivity and general poverty and, above all, from imperialist encirclement, where the main enemies of the Soviet Union enjoyed a higher level of economic development, despite the crisis of world capitalism.

Within the edifice of bureaucratic planning, the NEPman elements had not disappeared, but worked in a disguised way. In the absence of workers' control and administration of industry, society and the state, to repeat Marx's phrase, "all the old crap" revived. The dual

nature of the transitional state, in which elements of socialist planned economy coexisted with bourgeois norms of distribution, inequality and corruption, acted as a fertile breeding ground for all kinds of swindling and theft which, even at the time of the first Five-Year Plan, swallowed up a large and growing part of the surplus produced by the working class.

"Capital comes initially from circulation," writes Marx, "and, moreover, its point of departure is money." (Marx, Grundrisse, p. 253.) Marx explains that capitalism, in its most primitive and underdeveloped forms, usurers' and merchant capital,

makes an appearance long before the objective conditions for the establishment of the capitalist mode of production have arisen. In pre-capitalist societies, however, the phenomena related to merchant capital do not play a productive role.

When society had not yet reached the level when commodity production was possible as the norm, trading peoples like the Phoenicians, Carthaginians and Jews appeared at the margins of the economy, appropriating the surplus produced by other, less developed peoples through exchange. In the ancient world, these activities were closely identified with cheating, robbery,

kidnapping and piracy. They arose in the "interstices" of society, where they acted as a disintegrating influence on the existing socio-economic order. In the ancient world, whenever it got a hold, merchant capital hastened the dissolution of the old gens society and inevitably led to slavery. Later on, in the Middle Ages, usury and merchant capital played a similar role in undermining feudalism:

"With semi-barbarian or completely barbarian peoples, there is at first interposition by trading peoples, or else tribes whose production is different by nature enter into contact and exchange their superfluous products. The former case is a more classical form. Let us

therefore dwell on it. The exchange of the overflow is a traffic which posits exchange and exchange value. But it extends only to the overflow and plays an accessory role to production itself. But if the trading peoples who solicit exchange appear repeatedly (the Lombards, Normans, etc. play this role towards nearly all European peoples), and if an ongoing commerce develops, although the producing people still engages only in so-called passive trade, since the impulse for the activity of positing exchange values comes from the outside and not from the inner structure of its production, then the surplus of production must no longer be something accidental, occasionally present, but

must be constantly repeated, and in this way domestic production itself takes on a tendency towards circulation, towards the positing of exchange values." (Marx, Grundrisse, p. 256.)

And he further developed this idea in the third volume of Capital:

"The development of commerce and merchant's capital gives rise everywhere to the tendency towards production of exchange-values, increases its volume, multiplies it, makes it cosmopolitan, and develops money into world-money.

Commerce, therefore, has a more or less dissolving influence everywhere on the producing organisation, which it

finds at hand and whose different forms are mainly carried on with a view to use-value. To what extent it brings about a dissolution of the old mode of production depends on its solidity and internal structure. And whither this process of dissolution will lead, in other words, what new mode of production will replace the old, does not depend on commerce, but on the character of the old mode of production itself. In the ancient world the effect of commerce and the development of merchant's capital always resulted in a slave economy; depending on the point of departure, only in the transformation of a patriarchal slave system devoted to the production of immediate means of

subsistence into one devoted to the production of surplus-value. However, in the modern world, it results in the capitalist mode of production. It follows therefrom that these results spring in themselves from circumstances other than the development of merchant's capital." (Marx, Capital, Vol. 3, pp. 326-7, my emphasis.)

Marx describes the Jews existing "in the pores of Polish society", in the sense that they were not part of the existing feudal mode of production, but acted as middlemen, buying and selling, and lending money to the nobility and peasants. In the Middle Ages, usurers' capital remained as an unproductive

hoard. Thus, capital appears first on the stage of history as an unproductive phenomenon which does not arise out of the existing mode of production, but penetrates it from without and gradually undermines it. The degree to which it succeeds in this depends on the solidity of the existing order. In the early stages of feudalism, to the degree that usurers' and merchant capital existed, it could not lead to the dissolution of an economic system which was still developing the means of production. But at a later stage, in the epoch of feudal decay, these elements played a central role in hastening the collapse of the existing society.

Feudalism was essentially based on the production of use-values, not commodities. There was no need for self-sufficient feudal estates to trade with each other. Primitive forms of capitalism (merchant and usurers' capital) insinuated themselves in the "pores" of the feudal economy, fulfilling an important role in relation to trade. The Jews fulfilled a need in the general economy that could not be fulfilled by anyone else--as professional traders. Moreover, Marx explains that in underdeveloped societies "commercial profit does not only assume the shape of outbargaining and cheating, but also arises largely from these methods". (Marx, Capital, Vol. 3, p. 386.)

At this stage in its development, capital does not create any wealth, but acts as a mediator--a middleman--playing a role in circulation which cannot be played by the existing system of production. In the Soviet Union, the system of bureaucratic planning created numerous bottlenecks which had an increasingly paralysing effect upon circulation. This was one of the main brakes on the economy, which would have ground to a halt had it not been for the corrupt and illegal practices known as *blat*, which circumvented the official channels, thus permitting goods to circulate more rapidly--at a price. This phenomenon existed from the earliest period of the Five-Year Plans, as Victor Serge points out:

"We now come to the unique domain of blat, a Russian slang term which signifies 'combination.' From the bottom of economic life to its summit the combination reigns. Heads of trusts, directors of banks or of plants, administrators of state commerce, administrators of *colkhozes* or of *artels*, store managers, employees--all resort to it every day. All the wheels of the colossal machine are oiled and fouled by it. Its role is as great as that of planning, because without it the plan would never be realised. The combination of a multitude of departments makes up for the insufficiency of wages, for the defects in statistics, for administrative negligence,

for bureaucratic unintelligence; it piles miracle upon miracle. A shoe-factory director receives, in accordance with the plan, a permit for a ton of leather to be taken from the neighbouring tannery in February. The tannery, even though it conforms with the directives, answers that it finds it impossible to deliver these raw materials before March. The production plan of the shoe factory is going up in smoke; but our director is not upset by it. He expected that. 'Look here, old man,' he will say to his colleague from the tannery, 'you wouldn't pull a trick like that on me, would you?' 'Certainly not, we only need to get together on it. Service for service, eh? The tanners are lacking shoes, dear

comrade; couldn't you have five hundred pairs for me within the fortnight?' In the end, the tanners will be shod--not so well, to be sure, as their factory director and his family, whose boots the whole town will admire; and the shoe plant will execute its plan, which will bring its directors premiums, a banquet, etcetera. It will be clearly perceived, when the problem of transporting the raw materials from one plant to the other arises, that there are neither cars nor trucks available, for entirely peremptory reasons; but here again the beneficent combination will intervene. Railway men and lorry-drivers will find that it pays." (Victor Serge, *Destiny of a Revolution*, pp. 43-4.)

Parasitic middlemen

The phenomenon described here bears a striking similarity to the activities of the parasitic middlemen in pre-capitalist society. It does not flow from the nationalised planned economy, but from the isolation of the Revolution in conditions of appalling backwardness and the bureaucratic regime that arose from the loss of political power by the working class. These elements--blat, corruption, swindling, black marketeering--far from dying away, actually grew with the development of the Soviet economy, absorbing an ever increasing amount of the surplus and cancelling out the gains of the planned

economy. In the same way that usury and merchant capital dissolved and undermined pre-capitalist society from within, so the alien bureaucracy, that "parasitic excrescence on the planned economy" gradually undermined the system. In just the same way, a parasite can eat away and eventually kill the host animal upon which it feeds.

These illegal practices were identified with a large and growing underworld of crooks, spivs and speculators which existed in the "pores" of Soviet society. Just as the Jewish middlemen existed in the "pores" of Polish feudalism. They were not part of the nationalised planned economy and did not arise from it, but

represented a cancerous tumour and a parasitic excrescence on it. This was a graphic expression of the glaring contradiction between the needs of the nationalised planned economy and the suffocating grasp of bureaucratic control. The Soviet middlemen, the embryonic expression of the nascent bourgeoisie, played no role in production, but became necessary to "oil" the works which were increasingly disrupted by bureaucratic bungling, sabotage and red tape.

In return for this "service", the middlemen extracted a high and increasing tribute from society in the form of swindling, cheating and robbery

which absorbed an ever growing part of the surplus value. Here, from the beginning, there were two contradictory but mutually inseparable elements: on the one hand, the bureaucracy which held political power and controlled the state, on the other hand, a large number of actual criminals, black marketeers, spivs and speculators who competed with them for a slice of the surplus value. The bureaucracy for a long time tried to keep these elements under control by administrative means, fearful that this unbridled looting of the state could undermine the whole system of planned economy, and with it, their own privileged position. Hence, we had the contradiction of the introduction of the

death penalty for economic crimes at a time when the USSR was said to be "building communism". But no amount of arrests, imprisonment and shooting could eradicate a disease which was the inevitable result of a corrupt totalitarian regime. After all, it was only the difference between "legal" and "illegal" theft!

Here we have a phenomenon which closely parallels the historical process of the primitive accumulation of capital described by Marx in precapitalist societies. But there is a difference. The capital accumulated in the Middle Ages by the merchants and usurers was originally unproductive. Derived, as

Marx explains, from cheating and "outbargaining" outside the productive process, it ended up as an unproductive usurer's hoard. However, with the rise of capitalism in the fifteenth and sixteenth centuries, the usurer's hoard formed the basis for the process of capitalist accumulation proper, first as mercantile capital, and at a later stage as industrial capital. This was the period of capitalist ascent, when the bourgeoisie on a world scale played a relatively progressive role in the development of the productive forces.

Without doubt, the cheating and plundering of the nationalised economy by the hordes of "Soviet" crooks and

speculators played a similar role to the activities of the middlemen under feudalism. However, this is not the sixteenth century, but the epoch of imperialist decay. On a world scale, capitalism no longer finds itself in a period of general historical advance but, on the contrary, in a period of downswing in which "booms" have an increasingly sickly and unstable character, and recessions are increasingly prolonged. This is the decisive factor in the equation when we consider the prospects for capitalist restoration in Russia.

Historically, capitalism emerges as a large number of small capitals. Starting

with the period of primitive accumulation of capital, in the fourteenth and fifteenth centuries, the bourgeoisie in the West gradually passed through all the phases of co-operation, manufacture and finally modern industry. However, Russian capitalism did not pass through the classical phases of capitalist development and could not do so. In common with the weak bourgeoisies of colonial countries, it came on the stage of history too late. It was entirely dependent on big foreign capital. This would be even more so today. Just as the weak Russian bourgeoisie at the end of the nineteenth century could not merely repeat the stages already experienced by Western Europe centuries earlier, so the

nascent bourgeoisie today will not be permitted to accumulate capital in a slow, organic way. This is ruled out by the existence of the world market and the law of combined and uneven development. More than ever, it will be compelled to participate on the world market, where its products are hopelessly outgunned.

The imperialists are putting heavy pressure on Moscow to press on with the so-called reform programme, irrespective of the consequences. This is a crazy policy, even from the standpoint of the nascent bourgeoisie. The West has taken this line because they realise that the process of capitalist restoration in

Russia is incomplete and are anxious that it should be pushed to a conclusion. But the idea of completely dismantling state-owned industry, allowing big factories to go to the wall, creating mass unemployment with all the social convulsions that it would mean, is utterly irresponsible.

Likewise the demagoguery about liberalisation and opening up the Russian economy are policies which would amount to handing over Russia's wealth to imperialism on a plate. It makes no sense at all historically. Britain, Germany, France and America all had a protectionist policy until they were strong enough to defeat their rivals

on the world market, whereupon they became converted to the virtues of "free trade". And the state sector played a key role in all these economies, especially in the period of capitalist upswing from 1948 to 1974. State intervention also played a crucial role in Japan, which is always held up as a model. Yet Russia is being pushed into carrying out a policy in the opposite direction, which will have extremely negative effects on the economy. Of course, this is a matter of indifference, not only to the imperialists but also to the nascent bourgeoisie whose wealth is acquired in an entirely parasitic way.

The model adopted by the Chinese

Stalinists was much more intelligent from this point of view. Beijing has learned from the Russian experience, and is determined to avoid it. The bureaucracy maintains an iron grip on the state, and permits capitalism to exist in certain areas while the decisive sectors of industry remain in state hands. Of course, this mixed development creates all kinds of new contradictions and cannot last indefinitely. With the death of Deng, a struggle is opening up between the different factions of the bureaucracy, the result of which it is difficult to foresee. But the contradiction must be resolved one way or another. Ultimately, either the capitalist sector will overcome the elements of

nationalised planned economy, or the opposite process will occur. This depends to a great extent on what happens to the world economy in the next few years.

The fate of the Russian economy will not be resolved by the activities of street vendors, small businessmen, stock exchange speculators or MacDonalds. That is no kind of base for a huge nation of 150 million people with a big industrial base in the last decade of the twentieth century. No. Russia's will be determined by the power of its industries and technology. Russian capitalism is already highly monopolised because it arises from the denationalisation of big

state-owned companies. Many of these firms are not really viable in terms of the world market. Is it possible to achieve better results on such a basis? One would have to be a bit naive to believe that.

In the Middle Ages and in the early period of capitalism, primitive accumulation was achieved in a number of ways. Usually this entailed the brutal expropriation of whole populations and classes involved in pre-capitalist economic modes of activity--the native population of North and South America, the Negro slaves on the plantations, the peoples of the colonies in general, the dissolution of the monasteries under the

banner of the Reformation, and so on. But the main source of primitive accumulation was the peasantry. First the peasants were fleeced by the medieval trader and usurer. Later they were openly robbed in the Enclosure Acts and the Highland Clearances in Scotland. Thus, as Marx says, Capital came onto the scene of history "dripping blood from every pore".

Of course, Marxists cannot have a sentimental attitude to this question. Despite its brutal exploitative character, capitalism ultimately played a progressive historical role, because it developed industry, agriculture, science and technique to unheard-of heights. That

was its sole justification from a scientific point of view. As we have seen, the Bolsheviks took power in a backward country with a shattered economy. The material basis for socialism was absent in Russia, but existed on a world scale. The delay of the international revolution compelled them to face up to the problem of how to begin to develop the economy in isolation.

Lenin originally contemplated quite a long period in which the private sector would continue to play an important role. Since the working class did not possess a sufficient cultural level or experience to run industry, he proposed

that the capitalists be allowed to continue to run their factories, while obeying Soviet laws on wages and conditions, and the workers would operate a system of workers' control. The state would be firmly in the hands of the working class, and would hold in its hands a number of key economic levers, through the nationalisation of the banks and the centralisation of credit, for example. This is what he called "state capitalism". The private sector would continue to exist, but under the strict control of the working class. Gradually, through workers' control, the workers would acquire the necessary experience to be able to manage without the capitalists. But long before this, Lenin

expected that the workers of Europe would come to their aid.

Lenin was even prepared to allow big foreign companies to invest and open factories in Russia, for example to open up Siberia with its huge resources. But none of these plans came to fruition. The reason was that the Bolshevik regime represented a mortal danger to world imperialism. Far from investing in Soviet Russia, they did their best to overthrow it. When direct armed intervention failed, they resorted to an economic blockade. This is not the place to go into the debates which occurred at that time on the subject of industrialisation. Suffice it to say that the

question of the relationship between the proletariat and peasantry occupied a central place. Cut off from the world market by the imperialist blockade, the only possible source of obtaining funds for investment in industry was the peasantry.

In the classical period of primitive accumulation, the nascent bourgeoisie of England used terrible violence against the peasantry in the notorious Enclosure Acts. This did not prevent them from holding up their hands in horror when the Bolsheviks were compelled to requisition grain to feed the starving towns in the period of War Communism. As we have seen, these temporary

emergency measures were replaced by the NEP in 1921. A private market in grain was established, and the peasants were required to pay a tax in kind. The rightwing policy of leaning on the kulaks advocated by Stalin and Bukharin enormously strengthened the capitalist tendencies in the countryside. Trotsky and the Left Opposition warned of the danger in this. They advocated a tax on the rich peasants and measures of socialist industrialisation, Five-Year Plans and a policy of gradual collectivisation.

The weakness of the workers' state and the strengthening of the nascent bourgeoisie in the person of the kulaks

and NEPmen placed the Revolution in grave danger. Finally, in a panic reaction, Stalin broke with Bukharin and carried out a policy of forced collectivisation and the "liquidation of the kulaks as a class". This led to a catastrophe, as we have seen. Under Stalin the funds for industrialisation were achieved partly by squeezing the peasants, and partly also by squeezing the working class. In a sense, this played a similar role to "primitive accumulation" but under a deformed workers' state. The surplus was not appropriated by private capitalists but by the state. While a portion of it was absorbed by the bureaucracy for its own consumption, all sorts of luxuries and

perks, the bulk of it was ploughed back into industry.

Can it be assumed that the elements of primitive accumulation in Russia will play the same role in developing the productive forces as did usurer's and merchant capital in the period of capitalist ascent? Experience speaks against such a possibility. Russian capitalism has revealed itself from the outset as corrupt and degenerate. It is Mafia capitalism, and continues to operate as such. Its main concern is not the development of the productive forces, but robbery, swindling and cheating. Its methods include kidnapping, murder and extortion. Along

this road lies not progress, but only barbarism.

It is futile to complain, as Western commentators frequently do, that what is required is not this capitalism, but some kind of "normal" capitalism, healthy, progressive and democratic. Such a "normal" capitalism has never existed. Indeed, the search for social norms is in general a waste of time. Social phenomena must be analysed concretely, as they arise in a given historical context. Just as it is impossible to understand the monstrous deformed workers' state of Stalinism on the basis of the abstract norm of a "workers' state" in general, so it is impossible to shed

light on what is now happening in Russia by referring to the texts of Adam Smith and Ricardo. Both Stalinism and Mafia capitalism are products of concrete historical conditions nationally and internationally. The deformed workers' state was an expression of the historical backwardness of Russia and the isolation of the revolution. Mafia capitalism is an expression of the fact that the Russian bourgeoisie has arrived too late to play a progressive role, and that, on a world scale, the capitalist system has exhausted itself.

The economy is decisive

To sum up our argument, so far: the

following factors have had a decisive influence on events in Russia:

- 1) The bureaucracy found itself in an impasse and unable to develop the means of production on the old basis.
- 2) A long period of isolation resulted in the complete decay of the bureaucracy.
- 3) After decades of Stalinist totalitarianism, the proletariat was disoriented.
- 4) The temporary passivity of the working class as a result of 3).
- 5) The delay of the socialist revolution in the West.
- 6) The historical "accident" of the

boom of 1982-90, which created the illusion that capitalism could offer a way out.

- 7) This gave a temporary access of confidence to the imperialists, who exerted pressure on Gorbachov to move in a capitalist direction.
- 8) The exhaustion of the model of "mixed economy" in the advanced capitalist countries resulted in a temporary reversal of the tendency towards statisation on a world scale.
- 9) The absence of an independent movement of the Russian workers, combined with the intense pressure of world imperialism, strengthened the pro-capitalist wing of the

bureaucracy, and prevented the emergence of a proletarian wing as anticipated by Trotsky before the war.

- 10) The relative independence of the proletarian Bonapartist state enabled the leading clique around Yeltsin to manoeuvre between the classes and sections of the bureaucracy, initially leaning on world imperialism, in an attempt to move towards capitalism.
- 11) In this way, we have a contradictory hybrid situation, in which the bourgeois government of Yeltsin, under the pressure of imperialism, is striving to complete the transition to capitalism.

- 12) This peculiar process is not yet completed. The result will be decided by the struggle of contradictory forces in Russian society and the state.
- 13) The result of this will be determined by the class balance of forces in Russia and events on a world scale.

Marxism explains that the key to historical development in general is ultimately determined by the development of the productive forces: of the growth of industry, agriculture, science and technique, of the productivity of labour. The collapse of Stalinism was the direct result of the fact

that the bureaucracy, at a certain point became transformed from a relative brake on the development of the productive forces to an absolute barrier. By the 1980s, the USSR was no longer achieving higher rates of growth than the advanced capitalist countries. This was a sentence of death. However, the question of the dynamics of growth has a relative character. The Soviet economy was slowing down relative to the West, which was experiencing a temporary period of boom in 1982-90. This was a decisive element in the equation. The position could have been entirely different if capitalism had been in the throes of a depression as in the 1930s, when the Soviet economy was advancing

at a rate of 20 per cent a year.

No less than a workers' state, a bourgeois regime will stand or fall on its ability to carry society forward. The victory of capitalism over feudalism was guaranteed by the higher productivity of labour, and the development of the economy. From a Marxist point of view, this alone is what defines a given regime as historically progressive or otherwise. The viability of a capitalist regime in Russia depends, ultimately, on its ability to develop the means of production. This, in turn, is directly linked to the general perspectives for the world economy. Under conditions of capitalist

downswing, when the main economies are only capable of achieving a growth rate of 1-3 per cent in booms, as against 5-6 per cent in the period of the postwar upswing, the outlook for Russia is not encouraging.

Under such conditions, the attempt to move towards capitalism will inevitably be accompanied with new social and economic convulsions. The immediate prospect is for a wave of factory closures and mass unemployment, as the big state firms are allowed to go bankrupt. The accumulation of capital under such conditions presupposes the driving down of wages to below their value, with a further fall in living

standards and consumption for the majority, thus creating new and insoluble contradictions. The narrowness of the internal market would have to be compensated for by a fierce drive to export. But the traditional markets for Russian goods in Eastern Europe are increasingly being diverted to the West. Most Russian goods can compete with Western imports neither in price nor quality. On the other hand, with the partial exception of oil and other raw materials, the markets of Western Europe are virtually closed to them.

The same Western observers who exaggerated every defect of the Soviet economy, and deliberately suppressed

all its successes (a game they have been playing even more obsessively in the last period) remain stubbornly silent about the glorious achievements of the market in the last period. But, whichever way you look at it, the balance sheet is disastrous. In particular, the collapse in Russia resembles the effects of a catastrophic defeat in war, or, more correctly, in two wars. Not since the Dark Ages after the collapse of the Roman Empire has Europe seen such an economic catastrophe in peacetime. If we take the real GDP of Russia in 1989 as 100, the figure for 1994 was 49 per cent. That means a drop of more than half in five years. If we remember that the fall in the USA in the period 1929-31

was 30 per cent, it is possible to get an approximate idea of the unprecedented nature of the collapse. Nor is Russia the worst case. In the same period, the economy of Kazakhstan had a negative growth of 56 per cent; Ukraine, 57 per cent; Moldova, 58 per cent; Tajikistan, 60 per cent; Armenia, 63 per cent; Azerbaijan, 65 per cent; and Georgia, an astonishing 83 per cent.

The degree of industrial collapse in Russia today is, in fact, considerably greater than in 1945 (more than 50 per cent of the national wealth has been lost as compared to 18 per cent in 1945). When we turn to the figures for share of industry in GDP in 1993, as compared to

1989, the unprecedented collapse of the productive forces in this period emerges with full force. Industry's share in the economy fell by 26.4 per cent in Albania, 22.5 per cent in Armenia, 23.5 per cent in Bulgaria, 21.3 per cent in Georgia, 19.4 per cent in Poland and 11.1 per cent in Russia. There was an increase in the parasitic service sector in most of these countries (but even that fell by 10 per cent in the Ukraine, 12.7 per cent in Georgia and 25.4 per cent in Armenia). The big increase in the share of agriculture in Armenia, and to some extent the Ukraine, can only be explained by a partial return of sections of the population to subsistence farming in conditions of general economic

collapse.

The figures for investment tell the same story. Only in one case (Slovenia, which started from a low base) has the level of gross domestic investment recovered the levels of 1989. Bulgaria, Latvia and Lithuania fell by more than half. Poland, Belarus, Georgia and Uzbekistan by one-third. If we further examine the breakdown of what investment there is, the parasitic nature of the nascent bourgeoisie immediately becomes evident. The share of the private sector in total investment is extremely small in every case. The state still provides the lion's share. This is true even in the Czech Republic, where state-sector

invested three times as much as the private sector in 1993, the last year for which the figures are given. In Lithuania and Estonia the figures for private investment were 1.3 per cent and 1.6 per cent of GDP respectively. In Russia, private investment was less than 1 per cent of GDP, while the state sector amounted to 24.9 per cent.

The hope of the pro-bourgeois elements that they would be bailed out by foreign investment has not been fulfilled. With the exception of the Czech Republic, Hungary, and, to some extent, Poland, there has been next to no foreign investment in these economies. The total foreign investment in the Russian

Republic, with a population of 160 millions is almost the same as Poland, with 38 millions. On a per capita basis, this is equivalent to the grand total of 11 dollars for every Russian man and woman. Total foreign direct investment (FDI) in Russia between 1989 and 1994 was a derisory \$1.6 billion. In the same period, China received \$82.5 billion.

What these figures mean is that Western investors are not investing in Russia because they have no confidence in the future. True, these figures do not include such things as aid from Western governments and loans from the IMF and World Bank, which also do not add up to much. Nevertheless, Russia is

increasingly dependent on handouts from the West--a very fragile base on which to proceed, since this "assistance" is made on the basis of political expediency and the short term political calculations of the imperialists, which can change at any time.

Until the day after the 1996 presidential elections, the IMF was clearly turning a blind eye to the manifest failure of the Russian economy to meet its criteria, in order not to embarrass their man, Yeltsin in the run up to the election. But this policy of writing off the debts of the Moscow government was already causing a rift inside the IMF even at that time. One sector was opposed to making

more concessions, and wanted to apply further pressure to force Yeltsin to speed up market reform regardless of the social consequences, another wing was becoming alarmed at the threat of social upheavals which can destroy the reform altogether. In the event, a compromise was arrived at, whereby Russia was given the promised credit, but payments were made on a monthly basis. In this way, international finance capital keeps the situation under control. By administering aid as a nurse administers liquid nourishment to a sick patient through a drip-feed, drop by drop, they are in a position to cut off the supply at any moment.

The scepticism of the IMF is well-founded. The economic projections of the reformers are hardly reliable. In 1994, less than half the taxes projected were actually collected. On the other hand, the level of inter-enterprise debts is staggering. No wonder the multinationals are not keen to invest in Russia! Their real attitude is shown by the constant fall of the rouble. The 1995 state budget was based on an average rate of 3,800 roubles to the American dollar (in itself, a catastrophic fall), but this level was already overtaken on the 13th January 1995. The present rate of exchange is about 5,000 roubles to the dollar.

Meanwhile the economy continues stubbornly in recession. Economic output continued to fall throughout 1996. GDP fell by a further 6 per cent. Industry was down by 5 per cent and agriculture by 7 per cent. Investment fell by 18 per cent. According to one independent estimate, investment in Russia is now less than one-fifth the level of 1989. On the other hand, unemployment shot up from less than 6 per cent to 9.3 per cent. Consumer prices rose by 21.8 per cent. While workers' disposable incomes stagnated or fell, the richest 10 per cent of the population got 34 per cent of cash incomes (up from 31 per cent in 1995).

The economic collapse is causing

increasing concern even among capitalist observers, although the government still pretends that things are improving. "How can there be signs of social stabilisation when the productive base of the economy is shrinking and the social safety net is collapsing?" asked Nikolai Petrov, an analyst at Carnegie Endowment in Moscow. "There are no signs of improvement and it seems strange for our chief statistician to look for such signs when the crisis is obviously deepening." (Morning Star, 5/2/97.)

Class contradictions and the state

Trotsky was convinced that a capitalist

counter-revolution could only come about as a result of civil war. He wrote:

"The October Revolution has been betrayed by the ruling stratum, but not yet overthrown. It has a great power of resistance, coinciding with the established property relations, with the living force of the proletariat, the consciousness of its best elements, the impasse of world capitalism, and the inevitability of world revolution." (Leon Trotsky, *The Revolution Betrayed*, p. 252.)

And again:

"If--to adopt a second hypothesis--a bourgeois party were to overthrow the

ruling Soviet caste, it would find no small number of ready servants among the present bureaucrats, administrators, technicians, directors, party secretaries and privileged upper circles in general. A purgation of the state apparatus would, of course, be necessary in this case too. But a bourgeois restoration would probably have to clean out fewer people than a revolutionary party. The chief task of the new power would be to restore private property in the means of production. First of all, it would be necessary to create conditions for the development of strong farmers from the weak farms and for converting the strong collectives into producers' co-operatives of the bourgeois type--into

agricultural stock companies. In the sphere of industry, denationalisation would begin with the light industries and those producing food. The planning principle would be converted for the transitional period into a series of compromises between the state power and individual 'corporations'--potential proprietors, that is, among the Soviet captains of industry, the émigré former proprietors and foreign capitalists. Notwithstanding that the Soviet bureaucracy has gone far toward preparing a bourgeois restoration, the new regime would have to introduce in the matter of forms of property and methods of industry not a reform, but a social revolution." (Ibid., p. 253.)

It is not the first time in history that a profound social transformation has occurred without civil war. There have been times when a given regime has so exhausted itself that it fell without a fight, like a rotten apple. One example is what occurred in Hungary in 1919 when the bourgeois government of Count Karolyi collapsed and handed power to the Communist Party. Something similar happened in Eastern Europe in 1989. The Stalinist regimes were so demoralised that they gave up without a fight. In Poland Jaruzelski just handed over the power to the opposition. This did not occur without the intervention of the masses, who, incidentally, did not want a capitalist restoration. But in the

absence of the subjective factor, the pro-capitalist elements were able to fill the vacuum and derail the movement on capitalist lines. In Poland and Hungary this was done with the aid of the CP leaders.

So far, Trotsky's prognosis concerning civil war appears to be contradicted by what has happened in Eastern Europe and Russia. But it is far from clear how this process will end. In reality, at every stage, the movement towards capitalism has encountered obstacles and resistance. It has not all been in one direction. The attempted coup of 1991 and the storming of the White House were not peaceful occurrences. The

conflict between different wings of the bureaucracy was expressed, not in the language of parliamentary debate, but in that of tanks and machine guns. This fact alone is sufficient to show that the contradictions within the bureaucracy are not at all secondary ones.

Marxism approaches social phenomena from a class point of view. What is the class character of the bureaucracy in Russia at the present time? It is impossible to answer this question unless we proceed from the fact that this is a transitional stage, in which the fundamental contradictions have still not been resolved in one sense or another. The whole point is that, in the present

stage, the bureaucracy is riven with contradictions which, at bottom, have a class character. A section of the bureaucracy, which certainly comprises the majority of the top layer, is in the process of transforming itself into capitalists. Another layer is reflecting the opposition of the masses to Mafia capitalism. While others are waiting to see how things will develop.

The question which must be answered is: Does the nascent bourgeoisie control the state? If we recall the words of Marx and Engels in the Communist Manifesto that "the executive of the modern state is but a committee for managing the common affairs of the whole

bourgeoisie", we have to say that this description does not fit the present set-up in Russia very well. Clearly, the relationship here is a lot more complex. The reason for this is that the Russian nascent bourgeoisie is still in the process of formation. It has not yet succeeded in decisively setting its stamp upon society as a whole. It is still fighting to establish itself. Many of the elements still have a provisional character. The situation is not at all fixed but entirely fluid, and can move in a number of different directions. Nothing is yet definitely settled.

What is the state? If we apply the classical definition of armed bodies of

men, then it is not at all clear that the Russian army, police and security forces are controlled by the nascent capitalists. All these organs are in crisis. The "reform" has brought one disaster after another. There cannot be much enthusiasm for the reformers there. True, the top brass have done all right. But the junior officers have not, let alone the other ranks. In the storming of the White House in 1993, the army held back till the very last moment, as Yeltsin admits. Can this really be presented as a firm control of the armed forces by the Yeltsinites? Far from it! The position in the police and security organs is not likely to be much better. The rest of the bureaucracy is split. Although he is the

elected president, Yeltsin's base is really quite narrow. A minority are pro-bourgeois but the great majority are waiting to see what will happen. They will back the winning side--as usual. In other words how they will move depends on the class balance of forces.

Through all the shifts and turns of the past six years, the old state apparatus remained basically intact. Such changes as were made were largely of a cosmetic character. Yeltsin attempted to disband the KGB, out of fear that it would be inclined to back a hardline coup against him in the future. Such fears are not without foundation. The KGB had been renamed the Inter-Republican

Security Service and incorporated into the Russian Ministry of Security and Internal Affairs. However, it is impossible for Yeltsin to disband the state security service, even if the names are changed. The old network remains intact, and continues to function at all levels, inside and outside Russia. This indicates that, despite the change of government, the same old Stalinist state apparatus remains in place, in the shape of the bureaucracy of the state, the army caste, the police, and the KGB. In fact, the bureaucracy is extraordinarily tenacious in clinging to its positions. Let us recall that even after 1917 Lenin pointed out that, beneath a thin veneer of Soviet varnish, the same old Tsarist

officials remained.

These officials are always ready to sell themselves to the highest bidder--liberal or conservative, socialist or fascist--as long as their privileged position is safeguarded. For this reason, it is a mistake to see the bureaucracy as something fixed. The mandarins can easily switch from one position to another and back again. Only a genuine regime of workers' democracy can eliminate the bureaucracy. This was attempted in 1917, but ultimately failed because of the extremely low material and cultural base which did not permit the masses to participate in the administration of industry, society and

the state, as Lenin had envisaged. The old bureaucracy survived like a tumour on the body of the workers' state which eventually undermined it.

With astonishing ease, a large part of the former "Communist" leaders have swung right over to capitalism. However, if they do not get the anticipated results, a section of these can just as easily swing back again. It is true that some bureaucrats have done well out of privatisation. But many more have done badly. Even those managers who have manoeuvred to take over their own firms now find themselves faced with bankruptcy. Depending on how the situation unfolds, a section of the

bureaucracy, at a given moment, may lean on the working class to strike blows against the nascent bourgeoisie.

The present Russian state is a hybrid formation, with elements of a bourgeois state grafted onto the old bureaucratic apparatus. The same old functionaries, with the same interests, outlook and prejudices, sit in the same offices, watching developments, some with expectations, others with growing alarm. It is necessary to underline that this was not a workers' state, but a hideously deformed workers' state--a regime of proletarian Bonapartism. After generations of totalitarian rule, the privileged elite was completely

corrupted. A Bonapartist regime, by its very essence, rises above society and acquires a great deal of independence.

Lenin's statement that history knows all kinds of peculiar transformations has a direct relevance to the strange way that regimes of proletarian Bonapartism were established in ex-colonial countries since 1945. Here it is necessary to distinguish between the state in developed capitalist countries where it has a relatively stable and fixed character, and the state in less developed ex-colonial nations. At least in the past, the bourgeoisie in the advanced countries had a role to play and looked forward confidently to the future. It

played a genuinely progressive role in developing the productive forces. It has had generations to perfect the state as an instrument of its own class rule. The army, police, civil service, middle layers and especially all key positions at the top--heads of civil service, heads of departments, police chiefs, the colonels and generals are carefully selected to serve the needs and interests of the ruling class. With a developed economy and a mission and a role to play they eagerly serve the "national interest" i.e. the interest of the possessing class--the ruling class. However, the situation is completely different in the backward capitalist regimes which emerged from the colonial revolution.

In countries like Syria, Burma and Ethiopia, the state which emerged after the expulsion of imperialism was not fixed and static. With certain differences, the same was true of Afghanistan. In all these countries, the weakness and incapacity of the bourgeoisie gave a certain independence to the military caste. Hence the endless military coups and counter-coups. But in the last analysis they reflected the class interests of the ruling class. They could not play an independent role. The struggle between the cliques in the army reflected the instability and contradictions in the given society. The personal aims of the generals reflected the differing interests of social classes

or fractions of classes in society, the petty bourgeois in its various strata, the bourgeoisie, or even under certain conditions the proletariat.

Bonapartist regimes do not rest on air but balance between the classes. In the final analysis they represent whichever is the dominant class in society. The relation of the state to the productive forces in the last analysis determines its class character. Sometimes the armed forces of different fractions or factions of armed forces, can reflect different fractions of the ruling class and even the pressures of imperialism, primarily American imperialism. But, up to now, they have always reflected the interest of

the ruling class in the defence of private ownership.

However, Marxism finds in the development of the productive forces the key to the development of society. On a capitalist basis there is no longer a way forward, particularly for Africa, Asia and Latin America. That is why army officers in backward countries, intellectuals and others, affected by the decay of their societies could under certain conditions switch their allegiance. Switching from capitalism to proletarian Bonapartism actually enlarged their power, prestige, privileges and income. For a time, they became the sole commanding and

directing stratum of the society, raising themselves even higher over the masses than in the past. Instead of being subservient to the weak, craven and ineffectual bourgeoisie they became the masters of society. This peculiar transformation actually occurred in the above-mentioned countries in the postwar period. In fact, there have been even stranger variants, such as in Guyana, where the former CIA agent Forbes Burnham at one point moved to nationalise the whole economy.

Is such a development possible in Russia? That depends on whole series of factors, above all the development of the world economy. However, we can point

to the following elements in the situation which suggest an affirmative answer. First, the impasse of Russian capitalism, which has already been explained; second, the absolute rottenness of the Mafia bourgeoisie, which is incapable of carrying society forward; third, the highly unstable and volatile situation inside the Russian armed forces, including the general staff, which is being continually shaken up by scandals, sackings and other changes; fourth, the tradition of a nationalised planned economy and centralism which must be a fond memory for many in the officer caste. This tradition and the memory of past glories are a pole of attraction every bit as powerful as the existence of

the USSR and China was for the army generals in Syria and Afghanistan. Under certain conditions, therefore, it would certainly be possible that the Russian generals might decide that "enough is enough" and lean on the workers to strike blows against the nascent capitalists.

It is a mistake to regard the state as something fixed for all time. The present Russian state is riven with contradictions, and as such, is unstable. It is far more similar to the states in Asia, Africa and the Middle East than a modern capitalist state. It can swing in all kinds of directions depending on the pressures that are put on it. Social

development in general proceeds through contradictions. What greater contradiction can there be than the fact that 80 years after the October Revolution, there can be a movement back to capitalism? And this is taking place precisely when the market is everywhere demonstrating its inability to take humanity forward.

Contradictory tendencies in the bureaucracy

In its upper layers, the bureaucracy reflects the pressures of the nascent bourgeoisie and, above all, world imperialism, the lower layers that of the working class. This contradiction is

reflected in the struggle between the different factions of the bureaucracy, which sometimes flares up in violent confrontations such as the assault on the White House, and at other times remains more or less submerged, but is visible in the rise and fall of different individuals and groups. That is why the strategists of capital follow with such careful attention all the twists and turns of the obscure power struggle in the Kremlin. It is the outcome of this struggle which will determine the nature of the state. But this cannot easily be predicted in advance. It is determined by a multiplicity of factors, both internal and external. The way in which the Russian state will evolve is not yet decided by

history. The bourgeois wing which has gained control of the government is striving towards restoration, but they have not yet succeeded in carrying it out. The situation is not fixed, but tremendously volatile. It can move in any direction.

One of the most difficult tasks of Marxists analysis is to establish at precisely what point quantity becomes transformed into quality. For example, at what point exactly did the Stalinist political counter-revolution triumph? It took Trotsky a number of years, during which he changed his formulations more than once, to answer this question. After six years, the movement towards

capitalism has succeeded in creating a serious social base. According to some estimates, the nascent bourgeoisie is something like 10 per cent of the population, with a further 10 per cent dependent on their activities in one way or another. One-fifth of the population of Russia is a not inconsiderable force. Although most of them consist of "human dust"--crooks, spivs, black marketeers, petty bourgeois--they have vested interests to defend, and access to large supplies of arms. They are like feudal barons with their bands of armed retainers.

Against these forces, we have the millions of workers who vote for the CP

and its allies--roughly one-third of the total. Moreover, the class balance of forces can never be reduced to a purely arithmetical relationship. The core of the Communist Party's support lies in the heavy industries, where huge numbers of workers are concentrated in big enterprises. Many of these are owed large amounts of back pay. They have seen their living standards destroyed and their families reduced to poverty, while the new rich flaunt their wealth under their noses.

The imperialists are applying intense pressure on the Moscow government to press on to the next stage of so-called reform. This would entail a decisive

severing of the link between industry and the state, the cutting off of state funds to privatised enterprises which would be allowed to go to the wall. This would mean mass unemployment and economic dislocation on an unprecedented scale. It would make the collapse of the recent past look like a tea-party by comparison. In giving this "friendly advice", the West is not at all concerned with the interests of Russia. It is dictated exclusively by the desire to make the movement towards capitalism irreversible; to make Russia "safe" for Western capitalism. However, it is more likely to have the opposite effect. Such a plan must lead to social convulsions and an explosion of the class struggle. In reality, this has

already begun.

The result of this battle will probably decide in which direction Russia will go. We may venture the following hypothesis: if the Russian proletariat does not move (and such a supposition can be ruled out in advance), or if the workers fight and suffer a series of decisive defeats, and if the government then succeeds in pushing through its programme, this could well represent a decisive turning-point in the situation. But, in the first place, the result of this struggle is not a foregone conclusion. Once the mighty Russian working class throws its weight onto the scales, all bets are off. Secondly, even if the

counter-revolutionaries succeeded in pushing through the plans of the IMF, this would signify a new disaster for the Russian economy, which, whatever else it succeeds in doing, will not usher in a period of stability.

The outcome of this situation cannot be predicted in advance. It is not at all ruled out that, after a period of terrible social convulsions, a bourgeois regime--that it, inevitably, a regime of bourgeois Bonapartism--could be installed over the bones of the proletariat. That would be the most unfavourable variant from a general historical point of view, but would not at all mean that revolution would be off the agenda. After an

inevitable period of demoralisation and despair, the working class would recover, especially in the event of an economic recovery, and once again move into action, but this time without illusions in the blessings of a market economy.

Ultimately, the victory of capitalism in Russia will be determined by the existing property relations. The process of capitalist restoration has begun, but it is not yet decisively resolved, and will not be resolved until the struggle between the antagonistic groups and classes has been fought to a finish--one way or another. Is it correct to say that the movement towards capitalism is

already irreversible? The strategists of capital do not think so, and neither do we.

Trotsky long ago predicted that the bureaucracy would not be satisfied with the perks and privileges derived from control of the nationalised industries, but would seek to transform themselves into property owners in order to consolidate their position and pass on their wealth to their children. That prediction has proven to be correct. But he did not confine himself to this general observation, but went far deeper in his analysis of the different trends in the bureaucracy.

The bureaucracy is not a "Thing-in-itself". It exists in a given society, and can reflect different class interests. In the 1920s, there was a section of the bureaucracy that stood close to the kulaks and NEPmen and was in favour of capitalist restoration. The spokesman of this trend was one of the Old Bolshevik leaders, Bukharin. Of course, he did not consciously aspire to restore the old regime. But unconsciously, he was reflecting the pressures of the bourgeois elements. On the other hand, Trotsky and the Left Opposition stood consciously for the defence of the interests of the proletariat. Stalin, who had no real idea where he was going, balanced between the different wings,

but represented the millions of officials in the state, industry and Party, who were seeking to enlarge their own power and privileges.

Who will dispose of the surplus product?

In his important last work, Stalin, Trotsky provides a profoundly scientific analysis of the struggle between the bureaucracy and the nascent bourgeoisie in the period 1924-29. These lines, unfortunately not sufficiently known to Marxists, shed a lot of light on the struggle that is now unfolding before our eyes in Russia:

"The kulak, jointly with the petty

industrialist, worked for the complete restoration of capitalism. Thus opened the irreconcilable struggle over the surplus product of national labour. Who will dispose of it in the nearest future--the new bourgeoisie or the Soviet bureaucracy?--that became the next issue. He who disposes of the surplus product has the power of the state at his disposal. It was this that opened the struggle between the petty bourgeoisie, which had helped the bureaucracy to crush the resistance of the labouring masses and of their spokesman the Left Opposition, and the Thermidorian bureaucracy itself, which had helped the petty bourgeoisie to lord it over the agrarian masses. It was a direct struggle

for power and for income.

"Obviously the bureaucracy did not rout the proletarian vanguard, pull free from the complications of the international revolution, and legitimise the philosophy of inequality in order to capitulate before the bourgeoisie, become the latter's servant, and be eventually itself pulled away from the state feed-bag." (Trotsky, Stalin, p. 397.)

Here we have, in a few words, a marvellously precise account of the class basis of the struggle between different layers of the bureaucracy. The conflict consists of the struggle for the expropriation of the surplus value,

which, in turn, gives to whoever possesses it control of the state. The difference between the bureaucracy and the nascent bourgeoisie can thus be reduced to two different ways of appropriating the surplus value. But this is not a secondary question. The bourgeoisie directly appropriates surplus value on the basis of private ownership of the means of production. The bureaucracy derives its power, income and privileges from state ownership. Indeed, the only progressive function it played was in defending state ownership, although, as Trotsky pointed out, it defended the USSR far less than it defended its own privileges. Nevertheless the interests of the

bureaucracy which depends on the nationalised economy for its position were in conflict with the aspirations and interests of the nascent bourgeoisie.

Despite this, Trotsky was careful to place a question mark over the future of the Soviet state. He did not exclude the possibility at a certain stage that the process of bureaucratic counter-revolution would lead to the overthrow of the property relations established by the October Revolution:

"The counter-revolution sets in when the spool of progressive social conquests begins to unwind. There seems no end to this unwinding. Yet some portion of the

conquests of the revolution is always preserved. Thus, in spite of monstrous bureaucratic distortions, the class basis of the USSR remains proletarian. But let us bear in mind that the unwinding process has not yet been completed, and the future of Europe and the world during the next few decades has not yet been decided. The Russian Thermidor would have undoubtedly opened a new era of bourgeois rule, if that rule had not proved obsolete throughout the world. At any rate, the struggle against equality and the establishment of very deep social differentiations has so far been unable to eliminate the socialist consciousness of the masses or the nationalisation of the means of

production and the land which were the basic socialist conquests of the revolution. Although it derogates these achievements, the bureaucracy has not yet ventured to resort to the restoration of the private ownership of the means of production." (Ibid., pp. 405-6.)

Trotsky did not provide a finished, once-and-for-all analysis of the class nature of the Soviet state, but left the question open as to which direction it would finally take. This would be determined by the struggle of living forces, which was in turn inseparably connected with developments on a world scale:

"It is impossible at present to answer

finally and irrevocably the question in what direction the economic contradictions and social antagonisms of Soviet society will develop in the course of the next three, five or ten years. The outcome depends upon a struggle of living social forces--not on a national scale, either, but on an international scale. At every new stage, therefore, a concrete analysis is necessary of actual relations and tendencies in their connection and continual interaction." (Trotsky, *The Revolution Betrayed*, p. 49.)

The bureaucracy was never a homogeneous social formation. It does not even have the degree of cohesion

possessed by the bourgeoisie and the proletariat. It is a large and extremely heterogeneous social formation.

Between the elite and the local Party secretary there was always a considerable difference. In the event of a revolutionary movement of the working class, the lower ranks of the bureaucracy would come over in large numbers to the side of the revolution. But even in the higher reaches of the bureaucracy, there were always contradictory tendencies. Trotsky warned that the bureaucracy would betray the Revolution, that they would seek to guarantee their income and privileges by converting themselves into proprietors. But only the top layers would benefit.

On the one hand, there is a bourgeois government which is attempting with might and main to push in the direction of capitalism. But it is encountering resistance at many different levels. This is far from a straightforward process! Yeltsin has established a "bourgeois democracy" which is nothing of the sort. On the other hand, there is a corrupt Mafia capitalism which presides over a frightening economic collapse. There is ten times more corruption than before. And superimposed upon all this mess is the same old bureaucracy. More than before, in fact. In the Russian Federation there are 1.8 times more bureaucrats than in the USSR--with 130 million fewer population.

It is true that some bureaucrats like Chernomyrdin have done well out of privatisation. But many more have done badly. Even those managers who have manoeuvred to take over their own firms now find themselves faced with bankruptcy. The Chernomyrdin wing of the bureaucracy wants the privilege of ownership, another wing would prefer to cling to the old system, while between the two extremes there are a mass of middle-ranking and lower officials who are unsure, and will back whatever side appears to be winning.

Before the war, Trotsky spoke of the Butenko and Reiss factions in the bureaucracy. Butenko was a Soviet

functionary who went over to the fascists, whereas Ignace Reiss, an officer of the GPU, declared for the Fourth International before he was murdered by Stalin's agents. What Trotsky meant was that, within the ranks of the bureaucracy, there were a whole range of tendencies, from open counter-revolutionaries like Butenko up to genuine Leninists like Ignace Reiss. He added that the former were much more numerous than the latter, especially in the upper reaches. But not even Trotsky could have foreseen the ghastly degeneration of the Stalinist bureaucracy.

The prolongation of the bureaucratic

regime for almost three generations had profound effects on all classes and strata of Soviet society. The degeneration of the upper layers--now the grandchildren of bureaucrats "born in the purple", as they used to say of Byzantine emperors--went far further than Trotsky, or we, had ever thought possible.

By the physical extermination of the Old Bolsheviks, Stalin succeeded far more than we realised in extirpating the old traditions and breaking the umbilical chord connecting the working class to the ideas of October. At least two generations grew up in the nightmare regime of Stalinist totalitarianism. Lacking all experience or knowledge of

the democratic and internationalist ideas of real Leninism, their consciousness was thrown far back. This partly explains the temporary disorientation of the Russian workers in the last period. This is an important element in the equation, and one that we did not sufficiently appreciate at the time.

Nevertheless, it would be completely wrong to assume that the traditions of Bolshevism have been entirely eradicated from the psychology of the Russian workers. On the contrary. In contrast to Eastern Europe, where Stalinism, in addition to all its other crimes, was seen as a foreign import associated with national oppression and

rule from Moscow, Bolshevism is the only real tradition of the Russian proletariat, schooled in three revolutions, the civil war, the Five-Year Plans and the heroic struggle against Hitlerism. The fact that, despite everything, the mass of the Russian workers still look to the "Communist" Party is a striking proof that the idea of communism and October still lives in the hearts and minds of millions. As Lenin frequently pointed out, the mass of workers learn from experience. They have just passed through a very hard school indeed! And now they are beginning to draw conclusions. Suffice it to recall that the miners only a few years ago were supporting Yeltsin. This is

precisely how the class learns. The example of the Russian miners, many of whom had illusions in "the market" and who have now voted overwhelmingly for the Communist Party, is significant.

Despite everything, there has not yet been a turning-point which would decisively alter relations between the classes. The relative passivity of the working class, as a result of decades of Stalinism, has been the decisive factor that has conditioned the whole situation, as we have pointed out many times. But the vote in the December 1995 election served notice of an important shift in the mood of the masses. Even more significant, the mass strikes of miners,

teachers and other sections, demanding payment of back wages, show that the temporary passivity of the class is drawing to a close. At a certain stage, probably not far off, the class will move into action against the hated Mafia capitalism and the section of the nomenklatura which rests upon it. From that moment, the whole situation will be transformed.

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Russia:

**from Revolution to
counterrevolution**

Part Twelve:

Where is Russia going?

The Communist Party and the unions

The most striking development is the rapid recovery of the Communist Party of the Russian Federation (CPRF). The Party, which claims 550,000 members, swept the board in local elections in Volgograd in October 1995, taking

almost every seat on the council. The rapid recovery of the CP is a very striking proof of the law worked out by our tendency that, when the working class begins to move, it always expresses itself through its traditional mass organisations, although in a surprising way which we did not anticipate. In the past, the CPSU was not a workers' party at all, but an organ of the bureaucracy. It acted as an appendage of the state, consisting mainly of aspiring bureaucrats, careerists, spies, informers and agents. Through the Party, and also the state-controlled "unions", the totalitarian regime extended its tentacles into every factory and workers' district. This was one of

the factors that allowed it to survive for so long, giving it the appearance of monolithic stability.

But with the collapse of the Soviet Union and the crisis of Stalinism, the old relations have undergone a transformation. The Party is no longer an asset to that wing of the bureaucracy which wants to move towards capitalism. On the contrary. The Party and the unions are dominated by that section of the bureaucracy which has gained nothing from the reform and is hostile to it. The chairmen of collective farms, managers of big state owned enterprises and the host of lesser officials, Party and trade union

secretaries and the like, who have become obstacles in the road of the nascent bourgeoisie.

After the defeat of the 1991 coup, the pro-bourgeois faction led by Yeltsin lost no time in radically separating both the CP and the unions from the state and depriving them of their privileged position. The CP and union officials were compelled to lean on the working class in order to maintain some kind of base. In the absence of any alternative, the workers have turned to these organisations, which now play a similar role to that of the traditional mass workers' organisations in the West. The leaders of the Russian CP have, in fact,

much the same outlook, programme and philosophy as the reformist leaders in the West.

The fact that the CP was persecuted and even temporarily illegalised by the bourgeois Yeltsin government undoubtedly gained it widespread support, on the principle "the enemy of my enemy is my friend". This development is another salutary lesson in the dialectical way in which even the most apparently hopeless and moribund organisations can be transformed, once the workers begin to move. Despite the reformist illusions of the leaders, the fact that the CPRF now has a mass base in the working class is a very important

new element in the situation. If one bears in mind the crimes of Stalinism with which it was identified, this is an incredible development, although not so incredible as the revival of the Polish CP.

A similar process has occurred in the trade unions. The old unions, which contained both workers and factory managers, were no more genuine organisations of the working class than the Spanish vertical trade unions under Franco. But that situation no longer applies. The trade unions are no longer linked to the state, and have moved into semi-opposition. By contrast, the leaders of the so-called independent unions have

gone over to the bourgeois counter-revolution lock, stock and barrel. Even the supposedly "socialist" Association of Socialist Trade Unions (SOTSPROF) has gone over. In any case, they represent an insignificant force, whereas the overwhelming majority of the workers are in the old "official" trade unions. It is an amazing transformation that the "independent" unions turned into agents of Yeltsin, while the old official unions which were part of the state have actually been transformed into genuine trade unions (with some peculiarities) under the pressure of the working class.

Even in the big strike movement of 1989, which pushed the official unions to one

side, there was no mass exodus from them. The workers set up unofficial strike committees to organise the struggle, but once the strikes were finished, they still had the need of stable organisations with national structures. The existence of a deep crisis made the union organisations still more necessary, the more so since in the USSR the unions always played an important role in the field of health, social security and the like.

The main reason, however, is simply that there was no alternative. Boris Kagarlitsky and Renfrey Clarke describe the evolution of the "independent" unions as follows:

"The first generation of activists in the independent labour movement held numerous hopes that turned eventually into cruel disappointments. The leaders of the workers' committees took a suspicious attitude to the intelligentsia, but were readily co-opted by government apparatchiks and local political leaders who used the miners to further their own intrigues. Within a few years many leaders of the strike committees became prosperous business entrepreneurs and state officials. The slogan 'The workers' movement should stay out of politics!' was used to justify a refusal to pursue an independent working class political course, and later, to bind the workers' committees to the

policies put forward by Yeltsin and his neo-liberal associates--policies that were anti-worker in their very essence."

The attempt to build independent unions such as the Independent Union of Miners (NPG) and the SOTSPROF ended in failure. SOTSPROF first changed the word "socialist" to "social", then dropped it altogether. Later, the anarchists and socialists who had been active in SOTSPROF from the early days were expelled. There were scandals involving corruption in both SOTSPROF and the NPG. "After two years," the authors write, "the 'old' and 'new' unions had effectively swapped roles. The 'alternative' union

organisations merged increasingly with the authorities, while the traditional unions took on the role of an independent opposition force."

The old All-Union Central Council of Trade Unions was abolished and the General Confederation of Trade Unions took its place. After the collapse of the USSR, this was transformed into an "international organisation". The Russian unions set up the Federation of Independent Trade Unions of Russia (FNPR) headed by Igor Klochkov. By September 1990 they had some 65 million members--96 per cent of the previous trade union membership. Some of the new leaders were people who had

been active in the strikes of 1989 and 1990. There was thus a partial renewal of the union leadership, with the entry of new elements, ready to break with the past of the "official" state controlled unions. This is yet another extraordinary example of how the working class tends to stick to its traditional mass organisations.

After August 1991, when the Communist Party was suspended and the structures of the USSR collapsed, the unions remained practically the only mass organisations in Russia. More than 80 per cent, according to Kagarlitsky and Renfrey Clarke, "remained faithful to their organisations despite the changes

that had taken place". There was a process of radicalisation within the unions, even at leadership level, reflecting the growing discontent of the workers with the social costs of privatisation:

"But as the social costs of the reforms became obvious, the FNPR officialdom underwent a radicalisation. The trade unions fought for the indexation of wages, and for the setting of the minimum wage at a level equal to the subsistence minimum income.

Privatisation, accompanied by job losses and often by the shutting down of enterprise union organisations, aroused acute dissatisfaction among unionists.

Within the FNPR, the conviction grew that the social interests of workers were being defended far better in state sector enterprises than in privatised ones. This, of course, ran directly counter to the philosophy of the Russian government."

Throughout 1993, there were mass meetings and stoppages in the Urals, a one-day warning stoppage of miners in Rostov Province in the South, a general strike in the Maritime Province in the Far East, in which the strikers demanded the resignation of the government. Unlike the movements in 1989 and 1990, the struggles in the summer of 1993 were led by the trade unions and took place on an all-Russian basis. However, the union

leaders, lacking a clear perspective or a coherent alternative to the government's policy, confined themselves to "constructive opposition". The attempts to conciliate were redoubled after the crushing of parliament by Yeltsin in October 1993. The bombardment of the White House produced panic among the union tops.

Mikhail Shmakov, leader of the Moscow Trade Union Federation (MFP) advocated "moderation" while trying to bring the situation under control.

The timid policy of the leadership clashes headlong with the growing mood of anger and frustration that is building

up in the factories and mines. There is no hope of conciliating between the nascent bourgeoisie, whose interests demand the ruthless driving down of living standards, and, ultimately, the destruction of trade union organisation, and the working class which is engaged in a life-and-death struggle for survival. The opposition trend within the unions will develop parallel with the tendency for the unions themselves to adopt a semi-opposition or even an openly opposition stance. It is absolutely necessary for genuine Marxists to find a way to the rank and file of the Russian trade union movement, which, together with the CPRF, is the key to the whole situation.

Constitutional illusions

The big swing to the Communist Party does not mean that the workers accept Stalinism. Having gone through the experience of market reform, they conclude that "things were better before". They would like to enjoy the benefits of full employment and the other advantages of a nationalised planned economy, but without the oppressive totalitarian rule of the bureaucracy. In reality, they aspire to a regime of workers' democracy on the lines of 1917, but on a higher level. This would really be possible now, on the basis of a developed modern economy. It would be possible to introduce relatively quickly

a four day working week and six hour day. Russia could start to move in the direction of socialism. The prior condition for this is that the workers take power into their own hands, through genuine soviets--workers' councils.

In the months before the 1996 presidential election Moscow was alive with rumours that the elections would be called off. There was good reason for this. Yeltsin knew that, as things stood, he would be slaughtered. One poll in late December gave him just 6 per cent. Even in his home town of Yekaterinburg his support was melting away. In a desperate attempt to get the signatures necessary for Yeltsin to stand, his

henchmen intimidated railway workers, threatening them with the sack if they did not sign. When this was exposed, Yeltsin threatened to beat his campaign manager. Such things suggest that there was panic in the president's camp. Yeltsin's camarilla was in favour of postponing the elections, and said so openly. Yeltsin had already rigged the referendum over the constitution, so he is no stranger to such methods. But the situation had changed. He was not certain he could get away with cancelling the election.

Zyuganov tried to win the election by presenting a "moderate" and "statesmanlike" image. He spent most of his energies trying to conciliate the

bourgeois and Western "public opinion". But despite all his "reasonable" speeches to the Moscow Chamber of Commerce, the nascent bourgeoisie was not convinced. Nor were the imperialists, who were alarmed at the December 1995 result. They were not impressed by the "moderate" speeches of CP leader Gennady Zyuganov, but wanted to know what he would do if he came to power. "Deeds, not words!" is the motto of the hard-headed men of business. It is not a bad one. In an attempt to placate the fears of foreign governments and businessmen, Zyuganov turned up at the World Economic Forum at Davos. The reaction of those present was predictable:

"What the Davos suits are really worried about is how come communism is back on the agenda all of a sudden? Anxiously they press Zyuganov on every occasion, but he never quite gives the answers they want to hear. 'It's a natural thing, a market,' he says with a shrug. Yes, he wants a larger private sector. How large, exactly? WellÉ Yes, he wants to bring some of the republics back into Russia. How? WellÉ Yes, he does worry about NATO spreading to the Russian borders. How much? WellÉ" And The Independent's commentator concluded:

"The fact that the word 'communism' still wins big electoral support in Russia

does suggest to me that there is unfinished business thereÉ That they might wish to elect Zyuganov is nothing in itself; that they might still wish to elect Communists is everything." (The Independent, 7/2/96.)

The Economist on the 10th December 1995, expressed very clearly the fears of the West. "The Party," it wrote, "might still seek to rebuild the former Soviet Union ('voluntarily,' of course), reduce the presidency to a figurehead, put Boris Yeltsin on trial and renationalise swathes of Russian industry."

The crisis of capitalism signifies the crisis of reformism. This observation is

far truer in Russia than anywhere else. The frightful collapse of the productive forces provides no basis for reforms. Any attempt to increase state expenditure would lead immediately to the nightmare of hyperinflation, a further steep collapse of investment and the rouble and a social and economic catastrophe. Capitalism can only be established in Russia on the basis of driving down wages in order to accumulate the necessary capital for investment. Such a policy is incompatible with free trade unions, the right to strike, and, ultimately, the existence of any democratic rights. The idea that it is possible to combine market reform with the welfare state and democracy is an

attempt to square the circle. If Zyuganov comes to power with such a programme, it could only lead to a new catastrophe, preparing the way for a ferocious dictatorship of one kind or another.

The utterances of Zyuganov suggest that the leading group of the CPRF wants to continue the reform albeit at a slower pace, that is to go down the "Polish road". If, as is possible, to judge by the speeches of Zyuganov, the leaders of the Russian "Communist" Party came to power and tried to pursue capitalist policies, they would be compelled to administer the kind of medicine prescribed by the IMF. This would inevitably usher in a new period of

terrible convulsions, preparing the road for a coup by Lebed or some other reactionary demagogue. The process is a contradictory one, however, and Zyuganov may not be able to follow the "Polish road". On the contrary, the "Polish road" itself will sooner or later run over a cliff. The fate of Poland, as ever, is closely tied to what happens in Russia.

The disastrous policy of the CP leaders in Poland, Lithuania and elsewhere, in pursuing the road of market reform have caused widespread disillusionment with the CP and a move to the right, as we predicted. But the policies of the rightwing parties will only mean a

further deterioration of the position of the masses. This in turn will ensure a further swing to the left. There is no stable basis for capitalism in Eastern Europe. These regimes are at the mercy of the vagaries of the world market. In the event of a deep slump, they will be shaken from top to bottom. If the CPRF moves towards the renationalisation of industry, that would have a tremendous effect throughout Eastern Europe. The masses, who are already disillusioned with capitalism, would have a point of reference. The CPs in Poland and Hungary, which will inevitably enter into crisis in the next period, would either follow the lead from Moscow or split.

It is impossible to say what will happen on the basis of what Zyuganov says. The fact is that Zyuganov himself does not know what he is going to do. He is typical of those leaders who have partially broken with Stalinism, but have by no means gone back to Leninism. They have no theory, no perspectives, no strategy for taking power, and, of course, no intention of appealing to the working class except to vote for them. So why are the bourgeois worried? They know that, despite Zyuganov's moderate speeches, the CPRF is not just a reformist party like those in the West. Behind Zyuganov is the rank and file of the Communist Party, and behind them is the Russian working class. It is not just

that the situation is desperate. It is also the fact that, in spite of everything, the old revolutionary traditions are still present not too far beneath the surface. Under these conditions, things can change very rapidly. The reformist elements can be pushed to one side. The strategists of capital are under no illusions on this score.

The miners' strikes

The only reason the process in Russia could take the form that it did was the absence of pressure from the working class. This is now beginning to change. The more far-sighted strategists of capital realise the danger of a social

explosion in Russia. The inertia of the powerful Russian proletariat will not last forever. In December 1995, even before the elections, we repeated yet again that:

"Strikes, demonstrations and uprisings are inevitable at a certain stage.

Paradoxically, a slight improvement in the economy, which the government is hoping for, could be the signal for an outburst of strikes. However, in the immediate period, it is more likely that the workers will turn to the political front and vote for the 'Communists' in the hope that they will bring better days. When this does not materialise, the stage is set for a stormy period in

Russia." This prediction materialised far sooner than we anticipated with the mass strikes of miners and teachers in January 1996.

Up to half a million miners in Russia and another million in the Ukraine went on strike to demand payment of back pay. The strike movement swept through the coalfields of Southern Russia, North Urals and Siberia, precisely the areas which provided the backbone for Yeltsin's faction in 1989. This fact, better than anything else, illustrates a fundamental shift in the consciousness of the masses. The strike was solid. Even Rosgul, the state coal monopoly admitted that 118 out of 182 mines were

on strike. The real figure must have been higher.

Actions ranged from refusing to deliver coal for a limited period to the demand for an all-out strike. Political demands were also present. Miners marched through the streets of Vorkuta in the far North demanding the resignation of Chernomyrdin. The new spirit of defiance was summed up in the phrase of one miner reported in *The Independent* (2/2/96): "A miner can work on his knees on the coal face, but he cannot live on his knees and never will."

In the Ukraine, about 400,000 miners stopped work in 76 pits out of a total of

277. In a further 91, the miners refused to deliver coal. The Kiev government refused to negotiate with the strikers, on the grounds that they were bound by an agreement with the IMF. The miners had not been paid since October 1995. In the Donbass Basin 30 pits are threatened with closure under a framework plan proposed by the IMF. Le Monde (8/2/96) described the mood of the Ukrainian miners as follows:

"When the Donbass miners meet to discuss their strike, they do so under a portrait of Lenin, with an inscription: 'Coal is the bread of industry.' When they demonstrate, it is in front of a statue of Lenin in Lenin Square. The Donbass, the

huge mining basin in the eastern Ukraine, is in the grip of a 'proletarian protest.' Here, people address each other as 'tovarishch' (comrade). Not just out of habit; they do it from conviction. Because 'the class struggle has broken out again' a toothless old miner declares, and there seems to be no alternative. 'We must choose between Lenin and Coca-Cola!' exclaims one striker, frustrated at seeing shops emptied of local products and full of imported goods which he cannot afford.

"Anyway, there is not much the miners of Donbass can afford. They have been on strike since the 1st February, because their wages (the equivalent of \$100 a

month) have not been paid for five months. Nor pensions, nor invalidity benefit, and there are many on the latter in Donbass. 'In what civilised country do miners go to work on an empty belly?' an indignant trade unionist asks at a meeting."

The mood of the miners reflect not only falling living standards and unpaid wages, but a burning sense of injustice and the feeling of loss of self-respect: "Before to be a miner was something. Each month you brought home a wad of money. You retired ten years earlier than everybody else and the pension was very high--120, 160, even 175 roubles. Today this means nothing, but then the

rouble was a rouble. To be a miner today means being a non-person. We don't exist any more." (Quoted in The Guardian, 5/2/96.)

The strike movement gave the workers a sense of their own power and identity as a class. "We will bring them to their knees!" intones Vasil Khara, a trade unionist, when speaking of the Ukrainian government. 'This will be like 1989,' he adds, alluding to the big strike of Soviet miners which dealt a death blow to Mikhail Gorbachov's perestroika."

Once the class begins to move, they rapidly begin to draw political conclusions, linking their problems to

the general state of society. Anatoly Gerevich, a 40 year old striker quoted by Le Monde, curses the market economy, which he defines as follows: "Just take any businessman. The sausage he sells is ours. His shop is ours. But the suitcase full of money belongs to him."

The conclusion is inescapable: things were better before. "Before we lived in a rich and respected country. Now we are citizens of a banana republic." This is no isolated phenomenon.

An opinion poll organised by the International Foundation for Electoral Systems published one year before the strikes established that 92 per cent of

Ukrainians were "dissatisfied with the general situation", and 90 per cent thought that it was the government's responsibility to guarantee people a job. When asked whether the economy should return to state control, 46 per cent said yes, as against 31 per cent who wanted to reduce the state's role, and 24 per cent who did not know or failed to answer. The opposition to capitalism will have increased still further after the Russian elections and the miners' strike.

The stormy strike movement caused shock waves in the political establishment in Moscow. It is significant that the Communists, who are now the biggest block in the Duma,

immediately passed a vote of solidarity with the striking miners. This little incident is an indication of how a Zyuganov government would find itself under the pressure of an aroused working class--a detail which will not have been lost on the imperialists.

The strike went ahead despite the attempts of Yeltsin to deflect it by offering to pay up. He blamed poor organisation for the delays and threatened to sack the local bureaucrats responsible. But the problem of unpaid wages, which is widespread throughout Russian industry is not the result of the bungling of local officials, but the inevitable result of the disorganising of

industry through the dismantling of central planning. Anatoly Yakunin, a Rosugol official, blamed the crisis on energy plants and factories that owe mines more than \$400 million for deliveries. This problem will not be solved by demagogic speeches or by sacking a few officials. On the contrary. The plan to proceed with the wholesale closure of factories and the withholding of government subsidies will make the situation a thousand times worse. Although the miners have suspended the strike on the strength of government promises, there is no doubt that this marks a turning-point in the situation. The patience of the Russian workers is reaching its limits.

The miners, along with the rest of the class, went through the experience of the December and presidential elections, and are drawing conclusions. As the Morning Star stated:

"Interfax news agency said that wage arrears in the mining sector came to 2.6 million million roubles, while the government also owed miners 1.5 million million roubles in subsidies. Consumers owe miners about eight million million roubles. 'In fact, we are worthless slaves. At least slaves get fed,' said Oleg Kuslitsy, a coalminer who has worked without pay since April.

"Regional trade union federation deputy chairman Viktor Korovitsyn said:

'People want to eat and there is no more money to buy food.' One striking miner said: 'We live on the potatoes we grew in the summer. And I sold my garage to a businessman. Other people sold their cars and motorcycles. 'And we live off the pensions of our parents, although they also do not get paid regularly,' he said."

There are many tragic cases, like the miner who was quoted in The Guardian, 5/2/96:

"Four years ago he lost all his savings, 50,000 roubles, everything he had

earned in 15 grinding years in Vorkuta, the harshest mining region in the Arctic Circle. 'I had saved the equivalent of five Ladas. Then Yegor Gaidar came along, raised prices in January 1992, inflation soared and my savings turned to paper'."

And again:

"He opens his paper and he showed me two pieces of black bread, two boiled potatoes, two salted cucumbers. 'This is what I have been eating for the last two years.' I felt so ashamed.

"Mr Cherkassov has left the independent miners' union, which helped Boris Yeltsin come to power. The old

Communist union is back in power, but the disillusionment with all political parties is deep."

After five years of economic depression, industrial production and GDP continue to decline and the numbers of unemployed, cold, hungry and sick continue to rise. The population fell by one million in 1996 alone. Three quarters of the deaths were of working age. The Russian economy has become, to a large and growing degree, an economy in kind, with firms resorting to many types of barter transactions and many firms paying their workers in kind. According to Yevgeny Yasin, the economics minister, official

unemployment now stands at 3.6 million. This is clearly a gross under estimate of the real state of affairs. Even Yasin had to admit that the number of "job-seekers" were approaching 10 per cent of the workforce. The GDP was now half of its 1990 level and falling. Wage arrears amounted to \$8 billion, up from \$1 billion one year ago, and many workers had not been paid anything for several months. Tax arrears had increased from \$4 billion in 1995 to \$30 billion at present.

Sergei Dubinin, the Chairman of the Central Bank, now thinks that the accumulated inflation in the first nine months of 1997 could be anything

between 180 to 270 per cent. Dubinin also estimates that the rate for the dollar may increase to 22,000-27,000 roubles from its current level of about Rbs5520 (the rate was 40 to the dollar in 1990). Inter-enterprise debts have increased from Rbs15 trillion at the end of 1993, to Rbs100 trillion in November 1994, Rbs297 trillion in June 1995 and Rbs431.5 trillion in July 1996. All this is having its effect on the consciousness of the masses.

The fate of Russia is hanging by a single thread which will inevitably snap. Yeltsin and Chubais pretend to balance the budget by the simple expedient of not paying the workers their wages. This is

a finished formula for social conflict. At a certain stage, exasperation will turn into fury. The population as a whole will realise what capitalism means. Above all the youth, which has rejected Stalinism, will react violently against capitalism. A recent authoritative opinion poll held by the All Russian Centre for the Study of Public Opinion and the University of Strathclyde concluded that two-thirds of the people now think that life was better before perestroika. This compares with 50 per cent in 1992. Seventy eight per cent were dissatisfied with their family's economic position. Sixty five per cent said they were worse off than five years ago. And 36 per cent said they had

received their wages late.

Bleak prospects for Russian capitalism

If the Yeltsinites succeed for a temporary period in finishing the transition to capitalism, they would have to dispense with democratic rights. At the same time, the greedy, rapacious Mafia which controls huge swathes of the economy would increase its parasitic stranglehold on Russia. The unprecedented corruption which makes the Stalinist regime appear a model of rectitude by comparison would reach new levels, rousing the indignation of the proletariat to a fever-pitch. The Russian worker in general has a cynical attitude towards his rulers. But

the workers could accept decades of Stalinist rule without an explosion because right to the end of Brezhnev's period the productive forces developed and conditions improved. This is in stark contrast to the present condition which is characterised by universal robbery and looting which is not accompanied by a development of the means of production.

The only way that a capitalist regime could achieved a temporary consolidation would be through the development of the economy. Marx explains that this is the only way in which a given socio-economic system can maintain itself. Ultimately this is reduced to the issue of labour

productivity. Normally in the history of capitalism an increase in productivity of labour is achieved through investment. This is the secret of capitalist development. Unlike every other socio-economic system in the past, capitalism can only exist by constantly revolutionising the means of production.

It is true that, for temporary periods, labour productivity can be increased by other means. By increasing absolute and relative surplus value--that is, by a lengthening of the working day and increased pressure on the nerves and sinews of the workers--it is possible to increase productivity without extra investment on machinery and technology.

In the recent period, this has been the position in Britain, and to a large extent also in the USA, Western Europe and even Japan. In Japan, overwork has even resulted in deaths of workers. In the other countries, there has been a huge increased in illness brought about by stress in the workplace which has reached epidemic proportions. This is a graphic expression of the sickness of capitalism in the present epoch. The present situation is intolerable and cannot last for long. There is a limit to how far the capitalists can extract surplus value simply on the basis of squeezing the workers without provoking an explosion.

The situation in Russia is even worse. There is little or no investment. The Mafia capitalists limit themselves to looting and exporting capital because they fear that their present spree may not last very long. Their role is therefore purely parasitic. Such a monstrous state of affairs is unparalleled in the history of capitalism. It is also unsound. It resembles the well known Russian fairy story of the witch Baba Yaga who built a monstrous house on chicken's legs. That is what Mafia capitalism is attempting to do. A collapse is inevitable and can be triggered by any accident.

Even with a regime of bourgeois Bonapartism, success is highly unlikely.

In the first place, given the already unbearable conditions and low wages of the Russian workers, there is a limit to how far unbridled exploitation can precede without provoking an explosion. Secondly, it would mean the destruction of the internal market with no guarantee that Russian goods could compete successfully in world markets, even assuming that the USA and the other capitalist powers would be prepared to accept the wholesale invasion of the markets by cheap Russian products. Their present attitude towards China's trade surplus suggests that this would not be the case. In any case, all history demonstrates that an economy based on cheap labour can never triumph against

an economy with high wages based on modern machinery.

The conclusion is inescapable. A capitalist regime in Russia might succeed temporarily, but only at the cost of stoking up new and unbearable contradictions. As a matter of fact, at the present time, far from participating in the world markets, Russia appears to be going in the opposite direction, toward greater protectionism. But this will also be accentuated, especially in the event of a slump which, under these conditions, would be a nightmare.

At every step, the reality of Russian life provides a cruel contrast to the

demagoguery of the Western economists who argued that all that was required to secure prosperity was to "set the economy free". In practice, all that has been achieved is a terrible decline. It is a situation which reminds one of what the Ancients wrote about Attila the Hun - that wherever he set foot, not a blade of grass grew. This situation is intimately bound up with the perspectives for capitalism on a world scale. World capitalism is sick. And Russia is the sickest of all. This is hardly surprising. The Russian bourgeoisie showed its bankruptcy long before 1917. Peter Struve wrote a hundred years ago, that the further you go to the East, the more corrupt and degenerate does capitalism

become. Things have not changed very much since then. But this is precisely why capitalism broke at its weakest link, in Russia, as Lenin pointed out.

Like conditions produce like results. On the basis of experience, the Russian working class will rediscover all the militant traditions of the past. Russia will only find a way out of the crisis when the proletariat, armed with a revolutionary programme, puts itself at the head of the nation. The mighty Russian working class of today bears no comparison to the weak and uneducated working class of 1917. Today it is the decisive force in Russian society. All that is required is that it should be

conscious of this fact and act accordingly.

Pessimism of the nascent bourgeoisie

A historically progressive class is one which impels society forward. It develops the means of production, the soil from which culture, art, science and technique can emerge. Of course there is no guarantee that social advance will be painless. The story of the primitive accumulation of capital is one of the bloodiest episodes in human history. And yet, from a scientific point of view, capitalism played a progressive role in developing industry and agriculture to an unparalleled degree, thus laying the

basis for a higher form of civilisation under socialism. But the present nascent bourgeoisie plays no such role.

The Russian bourgeois, made up of get-rich-quick merchants, feel they have no real long term future. That is the reason why they are sending their fortunes abroad and buying up property in London, Paris and Bonn. State assets are systematically stripped and the wealth salted abroad in foreign banks. In the period 1992-93, the flight of capital from Russia amounted to a staggering \$10-12 billion annually. The interior ministry estimated more recently that as much as \$50 billion--almost a quarter of Russia's gross domestic product--was

smuggled away to Western banks and tax havens in 1994. It has also been estimated that the total value of London property bought in 1994 by rich Russians exceeded the total UK aid programme to Russia. For Masha Saltykova, "the people who are making money are not interested in the stability of society. They're only interested in grabbing their share of the pie and running away". (Quoted in The Observer, 9/7/95.)

Because of the collapse of the productive forces and increased demand for Western goods, Russia now imports more than half its consumer goods. As a result of this situation, Russia is highly

vulnerable to imported inflation--a direct result of the collapse of the rouble. A large part of these imports are luxury goods for the nascent bourgeois. Nearly all the cars on the streets of Moscow are foreign. By contrast, most of the earnings from exports are sent abroad to bank accounts in Germany and Switzerland. The crisis of capitalism means that even "respectable" Swiss banks are not fussy about where their money comes from. The Financial Times (7/2/96) notes that:

"Switzerland's economic problems have made some of its companies and financial institutions more willing to accept 'dirty' money from international

criminal organisations, including the Mafia, according to senior European police officials. The trend coincides with predictions of a rise in money leaving Russia in coming months because of mounting fears among newly rich entrepreneurs that the Communists will win presidential elections in June."

The slogan of the nascent bourgeois is: "Get rich and get out!" The sons and daughters of the elite are already voting with their feet, as an article in The Guardian (1/2/96) indicated, citing the fact that over 2,000 visas are processed every year by the US consulate in Moscow for Russian students, in addition to thousands more enrolled in

private schools in Western Europe. The attitude of this "gilded youth" was summed up in the words of an economics student, "I hate my country":

"Like many members of the emerging privileged class who have come of age at a time when Russia has open borders, Ms. Mikhailova has had the chance to compare the hardships at home with the abundance abroad and has decided that a life of sacrifice is not for her. 'I don't believe anything good will ever be created in Russia.'

"The children of those prospering from Russia's new found capitalism are leaving in droves to start careers in

countries where they might be better rewarded. A common feeling among young people is a weakening desire to build a better Russia. 'I don't feel any obligation to this country,' said Masha Zakharovich, aged 20, who returned for the winter holidays. She is on a scholarship at Berry College in Mount Berry, Georgia. 'The only patriotic feelings I have are for my parents, for the flat where I grew up, for my friends-- certainly not for the government'."

These lines provide us with a highly instructive insight into the psychology of this layer. They reflect the outlook, not of young people in Russia, most of whom are struggling to keep their head

above the water, but of the children of the nascent bourgeoisie. If such moods of economic defeatism exist among the children of the nouveaux riches, still more must their fathers and mothers be infected with doubts and fears for the future. They certainly do not imply that optimism in the future which is the hallmark of a historically progressive class, but rather the kind of cynical and self-centred nihilism of a reactionary class of parasites which, immediately after birth, displays all the signs of senile decrepitude.

The impasse of society and the general mood of discontent will find an expression among the soldiers. The

mighty Red Army which a few years ago was in a position to occupy Europe in a few weeks, is reduced to begging in the streets. This means that a revolutionary movement of the working class would immediately find an echo in the barracks. Even more than in February 1917, there would be a real possibility of a peaceful overturn, particularly if a genuine Leninist leadership existed. A big movement of the Russian working class would have tremendous consequences for eastern and Western Europe and the entire world. In particular, the Polish working class with their revolutionary traditions would be swept into action. But the same process can work in reverse. A movement in

Western Europe similar to that in May 1968 in France, would have revolutionary repercussions in Eastern Europe and Russia. Far more than in 1848 or 1917-20, the present period is the epoch of world revolution. Once it begins, it will not stop at the frontiers, those remnants of an obsolete past which must finally disappear if humanity is to realise its full potential.

However, the victory of the working class is not a foregone conclusion. In the absence of a movement of the masses, and with an open split between the executive and legislature, the classical conditions arise for Bonapartism. The army generals, in a situation like this,

imagine themselves as the true representatives of "the nation". A section of the officers undoubtedly dream of imposing order by the rule of the jackboot. If the Russian workers fail to take power, then the present unstable equilibrium of forces will have to be resolved, one way or the other. The possibility of Bonapartism flows from the fact that society finds itself in a complete impasse. The working class, paralysed by the leadership, is unable to take power, but the nascent bourgeoisie is too weak to set its stamp decisively on society. The deadlock between the classes enables the state to rise above society and acquire a large degree of independence.

At the present time, the bureaucracy is divided between that section which wants to go towards capitalism, and another wing that is either opposed or unsure. Up till recently, the first group has set the tone. Their confidence has been based on three things. First, the complete impasse of the old bureaucratic system; second, the pressure and "support" of imperialism, which held out the prospect of aid, loans and investment; third, and most importantly, the lack of any serious counter-movement on the part of the proletariat.

So far the army has remained uneasily on the sidelines. It has not really entered

into the struggle. But the growing discontent in the military is an open secret. Wages are not paid for months on end. There are even stories of Russian soldiers dying of starvation. According to some observers, the conventional Russian army for all intents and purposes no longer exists. At all levels there is a frightening picture of collapse. Yuri Yakovlev, Major-General of Justice in Tula Oblast, says bribe taking increased 33 per cent in the course of 1996. Misappropriation of material was up 137.1 per cent. The number of officers among offenders has been steadily growing and went up by 109 per cent. Military prosecutors were currently investigating offences by 16

generals and over 80 colonels. There were no regulations to control private agents selling army materials and no experienced auditing staff. Such is the state of the army which single-handedly defeated the might of Hitler Germany and raised the Red Flag over Berlin.

The mood in the barracks was described in the British CP daily the Morning Star as follows:

"Underfunding has cut sharply into the military's cohesion, spirit and ability to react to crisis. Corruption scandals in the general staff have damaged the army's public reputation and deepened the malaise in lower ranksÉBitterness

has grown in the officer corps over the use of the armed forces in internal Russian conflicts, such as the storming of the former parliament building in Moscow in October 1993 and the ongoing war in Chechnya."

Five years of market reform are enough to convince a growing part of the armed forces that capitalism is not delivering the goods. Apart from the terrible economic collapse, there is the crime, the social disintegration, the loss of power, income and prestige, and the humiliation on the international arena. The sensation grows that all this is wrecking Russia. This idea is particularly galling to the soldiers--not

just the ordinary soldiers, whose demoralisation was starkly revealed in the Chechen conflict, but among sections of the officer caste. The army is only a copy of social relations. The top brass, for the time being, are in cahoots with Yeltsin and are busy feathering their nests, but they represent a small minority. The great majority of officers, from the rank of colonel down, feel bitter and angry at the loss of their privileges, and outraged by their sense of national humiliation.

The bureaucracy came under enormous pressure from imperialism, especially in the first stages of the process of counter-revolution. The relationship can be

traced through the behaviour of Yeltsin in this period. The Russian "strong man" acted as a complete lackey and agent of imperialism, collaborating with NATO and the USA over Iraq, Bosnia, and everything else. But now that has all changed. The officer caste has for some time been flexing its muscles. The downfall of the foreign minister Kozyrev, a typical "reformer" and a pliant stooge of Washington, and his replacement with the hardliner Primakov indicate both the inevitability of a period of increasing tension with the West and the increasing assertiveness of the officer caste.

The threat of a coup is also understood

by the CP leaders, who appear to be attempting to organise their supporters among the army officers. General Albert Makashov, one of the leaders of the armed defence of the White House in 1993 and now a CP member of parliament, says:

"We all understand that the army, the structures of power, can finally resolve the power struggle. This is very well understood by the president and his team and they act accordingly. We must support the activities of those officers who help the Communist Party. The time has come to create an analytical centre to co-ordinate professionally work with the military." (El País, 16/2/96.)

Nezavisimaya Gazeta also thinks that the main problem facing Zyuganov is that of "establishing the necessary contacts in the armed forces ministries and special services in order to prevent the introduction of direct presidential rule [a euphemism for a coup] after the announcement of the election results". The same paper considers that the army will stay neutral, and that the masses will come out on the streets to "force the Kremlin to recognise the victory of the left candidate".

The stupidity of the Yeltsin government in neglecting to pay the army is really incredible. It is an indication of the depth of the crisis and the impasse of the

present set-up. Yeltsin would do well to reflect on the last words uttered by the Roman emperor Septimus Severus: "Pay the soldiers. That is all that matters."

The threat of Bonapartism

The constant social, economic and political convulsions in Russia have led some serious bourgeois strategists to look towards a Bonapartist solution to the problem. This fact, in itself, shows that they are uneasy about the outcome of the present situation. That is understandable because at present nothing is finally decided. Everything is still in flux. This must be the case in a significant section of the military caste.

Lebed is only one of many who has Bonapartist leanings. In an article published in the pages of Socialist Appeal immediately after the first round, we explained the perspectives for a regime of bourgeois Bonapartism in Russia:

"If Lebed seizes control, the whole equilibrium of forces in Russia would be altered. This would mark a very serious step in the victory of bourgeois Bonapartism. Unlike the weak Bonapartism of Yeltsin, this would be a vicious reactionary regime. Lebed's admiration for Pinochet gives us an idea of how his mind works. Lebed would not hesitate to crush all opposition. It is

not ruled out that he might retain some semblance of a parliament as a sop to Western public opinion, but it would be an impotent talking-shop with all real power concentrated into the hands of the Strong Man, ruling by decree. In other words, what Yeltsin aimed at, but never quite succeeded in doing.

"Such a regime would be a nightmare for the working class of Russia. How stable it would be is another question altogether. Lebed would inherit a ruined economy and a desperate people. In order to get things moving, he would inevitably be compelled to resort in the beginning to measures of recentralisation and even renationalisation of some key

strategic sectors of the economy. A bourgeois Bonapartist regime in Russia would inevitably retain quite a large state sector, as did Brazil under the military dictatorship in the 1960s-- probably the nearest analogy one can think of.

"There is no doubt that Lebed's threat to take action against the Mafia and corrupt elements is more than just words.

Organised crime and corruption have reached unheard of levels and devour such a proportion of the surplus value that they threaten to undermine society completely. Any regime that seriously proposed to begin to get out of the mess would have to begin here. Lebed would

not hesitate to shoot a few hundred, or a few thousand, speculators 'to encourage the others' as the saying goes. Such a policy would have the additional merit of being very popular.

"However, even if Lebed takes measures against individual capitalists and speculators, that will not mean that he does not stand for capitalism. In *The Eighteenth Brumaire*, Marx describes the drunken soldiery of Louis Bonaparte shooting down bourgeois in Paris after the coup d'état of December 1851. Louis Bonaparte and his gang of adventurers saved the bourgeois from revolution, but extracted a heavy price from their 'employers'. They took over the state and

ruled on behalf of the bourgeois, but in exchange robbed and looted the state and the bourgeois to their heart's content.

"In the same way, Lebed seeks personal power, raising himself above society as the personification of the Russian state, complete with general's uniform, medals and jackboots. By 'taking out' the most corrupt and criminal elements of the Mafia bourgeois, and even nationalising some of their ill-gotten gains, his intention is to make Russia 'safe' for the capitalist class as a whole. But these services will not come cheap. Lebed and his gang of unscrupulous adventurers will stuff their pockets and loot society even more rapaciously than the Mafia.

All this is in the nature of Bonapartism in general, and bourgeois Bonapartism in particular.

"Even as a regime of bourgeois Bonapartism, a Lebed regime in Russia would be an uncomfortable sort of neighbour to live with also for other reasons. By its very nature, it would be an aggressively imperialist regime, asserting its dominant role in Eastern Europe and the Balkans and moving to reconstitute the former USSR, or, more correctly, the Tsarist empire. Lebed would have to show some 'successes' abroad to make up for the lack of bread at home. In this respect also, he would be acting in the authentic tradition of

Bonapartism." (Socialist Appeal, no. 43, July-August 1996.)

The removal of Lebed alters nothing fundamental in this appraisal. The precise identity of the Russian Bonaparte cannot be predicted, and is an entirely secondary question. The shifting combinations and alliances at the top have an accidental character. The underlying class mechanics do not. The constant changes in the tops of the army are themselves an expression of the unbearable tensions which exist in society and the state. At the same time they reveal the fear of Chernomyrdin and Chubais at the prospect of the emergence of a military strong man who could

replace them.

Since foreign policy is merely the continuation of home policy, the CIA and the Pentagon are already preparing for a new period of struggle against Russia on a world scale. Their dream of a weak and divided Russia, meekly following America's lead, has been reduced to ashes. In his novel, *Nineteen Eighty-Four*, George Orwell described a nightmarish scenario of a world divided into a few gigantic blocs with totalitarian regimes in a permanent state of war. That has not come to pass. Under present conditions, all-out war between the major powers is ruled out, because it would mean mutual annihilation.

However, the world is already divided up between three major blocs: the USA with Canada, Mexico, and the whole of Latin America as its sphere of influence; the European Union, which will control the economies of Eastern Europe and a part of North Africa; and mighty Japan, which is busy carving out an economic empire in South East Asia.

To these blocs it may be necessary to add a fourth. If capitalist restoration should succeed in Russia, a new imperialist power would emerge. This is hardly an agreeable prospect for the West. A capitalist Russia would be a powerful and aggressive imperialism like Tsarist Russia. It would use its

military might to take back the breakaway republics, whose "independence" in any case will be seen to be largely fictitious, because they are so dependent on Russia.

A fully fledged capitalist regime in Russia would not be a weak, peace-loving country. It would be a ferocious military dictatorship with an aggressive imperialist policy. It would combine the expansionist policy of Tsarism with a military and industrial power a thousand times greater than that of the Romanovs. This is not exactly an inviting prospect for the West. Far from being a factor for stability, the movement towards capitalism in Russia merely adds a new

element of instability on a world arena already fraught with conflicts from one end of the globe to the other.

The only way capitalism might be consolidated in Russia is precisely under the heel of a ferocious military dictatorship which would ruthlessly reduce wages in order to reinvest the surplus. This is what occurred in Brazil under the military regime. But given the enormous weight of the Russian working class, such a regime would be neither stable nor long lasting. After the initial inertia wore off within a few years, Russia would be facing a new October.

Is a return to Stalinism possible?

The above scenario is not the only possibility. It is by no means certain that a military regime in Russia would go down the capitalist road. A lot will depend on the world situation. A recovery of the capitalist economy would lend an impetus to the pro-capitalist tendencies. A downturn would have the opposite effect. The second variant is far more probable. Most likely there will be a new recession in the next few years, although it is impossible to be precise about the timing. However, the outlook for consolidating a capitalist regime in Russia, given the present world situation, does not look bright.

We have said in the past: Lebed is a

bourgeois Bonapartist, but under certain circumstances, even he might jump the other way. Despite its apparently paradoxical nature, this is not really so difficult once you understand the nature of Bonapartism in general and proletarian Bonapartism in particular. Under certain conditions, as we have seen, a section of the military caste can decide to switch its class allegiance and even lean on the working class to expropriate a weak and degenerate bourgeoisie which has shown itself to be incapable of taking society forward. Is this certain to happen in Russia? No, it is not certain. Is it even probable? That depends on the general situation. In the event of, say, a deep slump in the West,

then some such development would be quite probable. Whether it would be Lebed or another individual is a secondary consideration, of no real importance. But if we are asked, is it impossible? We have to answer in the negative. Such a development is quite possible under the kind of conditions we have specified. Is it really necessary to take into consideration such possibilities? Well, a good general should always consider every eventuality, so that his troops are not taken by surprise. Because in the next period in Russia many surprises await us--and the bourgeoisie also!

In Nicaragua the Sandinistas destroyed

the old state. Even so it was not yet a workers' state, or more correctly, a deformed workers' state. They did not carry the process through to the end. Here once again we see the importance of the subjective factor. There was no objective reason why they should not have finished the job. If we define the state as "armed bodies of men" then the old Somoza state was smashed. The Somoza family owned about 40 per cent of the economy, so it would have been simple for the Sandinistas to declare the rest of the economy nationalised. We ended up with a hybrid transitional state with elements of nationalisation coexisting uneasily with capitalist elements.

But the Nicaraguan leadership's "moderation" did not save them. US imperialism used its Central American satellites (i.e., Honduras) as a base to organise, arm and finance the Contra thugs and launch attacks on Nicaragua. What was the class nature of the Sandinista state and in what direction was it moving? It is difficult to give a precise answer to these questions. *But at any rate it was clear to us that it was not yet a (deformed) workers' state.* We pointed out that the process in Nicaragua could be reversed and it was reversed. This despite the fact that the old state had actually been smashed by an armed uprising.

Although the process of capitalist counter-revolution in Russia is far advanced, it cannot be maintained that it has gone as far as the Nicaraguan revolution. Yet that process was reversed. Under certain conditions, the same could occur in Russia. A regime dominated by the military wing of the bureaucracy would be strongly tempted to move in the direction of recentralising the economy. The breakdown of central planning has had the most harmful effects at all levels, including the army's supplies and pay. The miserable performance of the Russian army in Chechnya was itself a devastating comment on the poor morale of the armed forces. Under certain conditions,

it is quite possible that the generals will decide that the "free market" offers no future either for them as a privileged caste or for the Russian nation, in whose name they purport to speak. Any move to crush the criminal bourgeoisie would count on the enthusiastic support of the working class, including those sections which previously had illusions in capitalism.

A Bonapartist regime in Russia would have to take measures against the Mafia which is swallowing a huge proportion of the productive resources. But it is impossible to say where the Mafia ends and the capitalist class begins! In reality, they are one and the same thing. Any

serious attempt to clamp down on the criminal element would involve an attack on the nascent bourgeoisie itself. This may well lead to violent clashes, and even civil war. The outcome of such a struggle would ultimately determine the direction in which Russia moves.

Irrespective of their intentions, the generals would be compelled to recentralise in order to get the economy moving. On pain of extinction, they would have to take drastic measures to clamp down on the black market, recentralise the economy, and overcome the sabotage of the nascent bourgeois. This would mean a partial return to the methods of the past: a combination of

centralism and terror. Russian generals are not noted for their gentleness. They would not hesitate to arrest and execute thousands in order to re-establish "order". This can have an effect for a time. The combination of central planning and terror can stimulate production by holding in check the worst excesses of the bureaucracy, without in any way solving the fundamental problems of the system.

Clearly, such a regime would soon come into collision with the West. Even the miserable amounts of aid and investment which now reach Russia would be cut off. This, too, would have an effect. Forced back on its own resources, a

Bonapartist regime in Russia would be tempted to go back to a *modified* form of Stalinism--a bureaucratically run "command economy", as the bourgeois call it. Such a perspective is by no means as improbable as some people think. After all, the military caste did extremely well out of this kind of "socialism". And for the mass of the people, after the nightmare experience of market reform, the period of Brezhnev must now look like a golden age.

One thing must be understood. There is no question of going back to Stalinism in its classical form. The totalitarian regime of the past lasted for decades for two main reasons: firstly, the

unprecedented growth of the economy made possible by nationalisation and a plan. In the second place, the Stalinists succeeded in penetrating the working class to an unheard-of extent by means of an army of spies, stooges, informers and the like, through the "Communist" Party and the so-called unions, which were really part of the bureaucratic state machine. That is now impossible. A new variant of proletarian Bonapartism would not have such a mass base. It would rest upon the army and the police. But, as Trotsky explains, that is too narrow a base to allow for any degree of stability. Such a regime might last a few years, on the basis of the temporary inertia of the workers. But sooner or

later, the contradictions of the bureaucratic regime would reassert themselves, provoking a new uprising of the working class. Such a regime would be shot through with contradictions. The underlying malaise which undermined the Brezhnev regime would begin to reappear. Corruption, the inevitable companion of a totalitarian regime, would gnaw at the bowels of the economy. The Russian working class will have passed through the experience of both Stalinism and capitalism. Slowly and painfully, the new generation will come to understand the need for a new system, based on the democratic rule of the workers themselves. At a certain point there will be a new explosion, but

this time from the left, in the direction of a workers' democracy.

A neo-Stalinist regime, which is compelled to base itself on the working class, would be more similar to the regime of 1923-30. In the early period, Stalin could lean on the working class at various times. But now the situation is different. The proletariat is massively stronger. Moreover, it is an aroused working class, which has passed through the experience of a totalitarian regime and has no wish to go back. Under these circumstances, the bureaucracy would not be able to maintain itself in power for long. The class balance of forces would be entirely different to the past,

when Stalin was able to maintain himself in power by balancing between the working class, the peasantry and the bureaucracy, leaning on different layers at different times. Under modern conditions, a Stalinist regime would be a regime of crisis. Very rapidly, the workers would see the stultifying role of the bureaucracy and move to overthrow it and establish a regime of genuine workers' democracy.

The outcome would partly depend on events on an international scale and the world balance of forces. Once the Russian workers moved to take power, the bureaucracy would be paralysed. Under such conditions, the transfer of

power might be relatively painless. In that event, world imperialism would be shaken to its foundations. Far from contemplating armed intervention, as in 1918-20, they would be faced with mass movements of the working class at home. A successful revolution in Russia would have a far more electrifying effect than the October Revolution, because of the world crisis of capitalism, and the changed relationship of class forces in the advanced capitalist countries and the third world. It would immediately lead to the collapse of the rotten and degenerate rightwing reformists. The left would take over everywhere, preparing the way for the creation of genuine mass revolutionary currents and parties. Thus,

a victory of the Russian working class this time would be the prelude to world revolution.

A new beginning

In February 1996, we wrote the following: "The burning indignation of the workers threatens to boil over in a social explosion which could sweep all before it. The recent miners' strikes were a serious warning to those who had written off the Russian proletariat. The key to the whole situation to date has been the absence of an independent movement of the proletariat. Given its enormous size and power, once the Russian working class begins to move, it

can swiftly transform the entire position." (The Collapse of Stalinism and the Class Nature of the Russian State.)

Throughout the autumn of 1996, all over Russia, from Vorkuta to Tula, there was a new wave of strikes. This movement reflected the general disillusionment with Yeltsin and his government and a growing rejection of market economics. The immediate issue was wage arrears, which had increased by 15 per cent over the space of a few months. Total arrears in wages were somewhere in the region of Rbs42 trillion. The outbreak of strikes and other protests showed the existence of enormous bitterness, mainly of the

miners and the industrial working class. But it also increasingly reflected the anger of a layer of white collar workers and professional people--teachers, doctors, scientists, army officers and engineers, some of whom have resorted to hunger strikes. A mass hunger strike involving more than 200 workers began at the Maritime Territory SRPS on the 3rd September 1996.

On the 16th September, all the enterprises of Dalenergo (Far East Power) plus the Maritime Territory State Regional Power Station, which was not a part of that association, went on strike--11,000 people in all. At 124 naval enterprises in St Petersburg, civilian

personnel went on strike on the 19th September. The entire police force in the city of Arsenyev, Maritime Territory, declared an open-ended strike on the 11th October. In the same city ten days later, 400 workers at the district heating enterprise went on strike. Borough court judges in St Petersburg struck work for more than a month, while their colleagues in Smolensk struck for a day on the 22nd October.

On the 5th December 1996, there was an all-Russian day of labour protest called by the Federation of Independent Trade Unions of Russia (FNPR). Hundreds of thousands took part in strikes, demonstrations and marches across

Russia. Then came a new round of miners' and teachers' strikes. In St Petersburg the workers at a huge Chernobyl-type nuclear power station declared themselves on hunger strike. The central issue again was the non-payment of wages. True, the union leaders, like their counterparts in the West, clearly intended this as a means of "blowing off steam". But so desperate was the situation, that it was not certain that the union leadership would be able to hold the line. As one commentator put it: "However, the danger remains that in some regions the old skins of FNPR actions will not be able to hold the new wine of discontent. What will happen in that event, no one knows."

"The most vigorous action, now traditional, was taken by Russia's miners. 198 of Russia's 218 coalmines staged a 24-hour strike in which, according to Vitaly Budko, chairman of the Russian Union of Coal Industry Workers, 460,000 employees of the branch took partÉ

"In many cities of central Russia, despite the fact that the trade unions were the official organisers of the action, its tone was set by representatives of the Communists and the popular-patriotic forces. For example, at a rally in Ryazan the Communist candidate for governor, Vyacheslav Lyubimov, urged the assemblage to 'disobey the policy of the

current government.' At a rally of 20,000 people in Yaroslavl, it was stated that the protest action should be regarded as an ultimatum to the country's leadership. Among the slogans was the following: 'Either you address the needs of the people, or we will launch a political struggle involving the declaration of a general political strike and demands for an early presidential election and the resignation of the government'." (The Current Digest, No. 44.)

Most of these strikes were organised not by trade unions but by strike committees at factory level. Interestingly, in some cases the managers actively promoted strikes in order to get money from the

state. As the same commentator ironically remarked: "Now the bosses, driven out of the trade unions, are in the vanguard of the strike movement." The contradiction was only apparent. It reflected the fact that, whereas a small group of ex-bureaucrats had become fabulously rich, the majority of the old bureaucracy had not benefited from the movement towards capitalism at all.

In the case of the mines, the government had repeatedly failed to ensure payment of already budgeted central funds. In the absence of this support, the wage debt to the miners was continuing to mount. Many were owed more than six months' pay. At the same time, maintenance of

mining structures and equipment had to be cut. This had led to further declines in health and safety and in output. The government promised to give priority to paying off its debts to the mining industry, but no action had so far been taken to keep that pledge. According to the miners' union Rosugolprofsoyuz, 161 of the country's 189 mines and 27 of its 69 open pits struck against wage arrears and poor working conditions. Miners were owed Rbs2,600 billion (\$468 million) in back wages and Rbs1,500 billion (\$270 million) in subsidies. A further Rbs7,500 billion (\$1.35 billion) were owed by coal customers. The worst debtors were with the electricity generating companies. They owed

Rbs4,100 billion, a 110 per cent increase on the figure at the start of 1996. Agriculture and associated industries owed Rbs2,700 billion, steel mills Rbs640 billion, and now independent former Soviet states, Rbs26 billion. Thus the breakdown of the plan has had a disastrous effect at all levels.

The problems of the Russian coal industry were the result of sharp cuts in state financing in the second half of 1996. The coal company Rosugol received only some Rbs150 billion from the budget, instead of the Rbs800 billion provided for by it. This was an indication that the government was attempting to carry out the orders of the

IMF. In a last minute attempt to avert the strike, the government allocated Rbs700 billion as social support for coalmining enterprises. But this was merely a half-measure which could not solve the problem. In such regions as Rostov, Vorkuta and the Kuzbass state support accounted for about 40 per cent of operational costs. The miners knew that the restructuring of the industry demanded great financial expenditure which was impossible without support by the state. "No solution to the social problems in the coal-mining regions is possible without the adoption of a state programme and its control by the top officials," one miners' leader has said. This is highly significant because it

showed that the miners had abandoned all hope of solving their problems on the basis of the market. *The only way out was central state planning, but a plan in which those responsible for its implementation actually carried out the wishes of the workers.*

On the first morning of the latest miners' strike, the union reported an 81 per cent turn out. All mines were on strike in Sakhalin, Magadan, Primorsk and Kuzbass (the towns of Beliova and Kisilov). The response in the Kuznetsk basin was more solid than in the past. In Kemerovo more than 100 mines joined the strike. Some 110,000 miners from the Rostov region supported an indefinite

strike. They were joined by teachers, medical workers and pensioners who have not been paid their wages for several months. In this way, the miners' action served as the focal point for other workers. In other areas, such as Krasnoyarsk Territory the miners did not strike. The miners in the Southern Urals are vacillating. They all support the political demand of the federal government's resignation, but not all of them are yet ready to go on strike. Only three out of ten mining firms in the Chelyabinsk basin went on strike. But the only coal quarry in the Orenburg region decided to back the national strike.

Embryonic soviets

The militant Vorkuta coalminers' union federation supported the idea of an indefinite strike. Elsewhere for different reasons, only partial actions were observed. In Irkutsk, East Siberia, ten coal quarries and two mines of the Vostsibugol joint-stock company stopped work for 24 hours as a token protest. The miners were worried about the effects of an all-out strike on the population, as the regional chairman Vladimir Solomin explained: "The idea of an indefinite strike advanced by the Vorkuta coalminers' union is unacceptable for us because in the Siberian conditions, where the

temperature often drops to 30 degrees below zero, it is well-nigh fatal." But in other areas the miners have found the solution.

The miners of the Neryungri open-pit mine in Southern Yakutia, which is considered the largest mining enterprise in Russia's Far East, stopped supplying coal to their consumers, but were taking care of their own town's needs. In this decision we have potentially the elements of workers' control. The workers concluded that they had to begin to take over the running of distribution. This is a very important development which in some areas led logically to the setting up of elected strike committees--

in effect embryonic soviets. Fred Weir reported that "*spontaneously-organised workers' councils É are taking over local government functions and posing a direct challenge to regional authorities and trade union leaders alike. The 'salvation committees' are essentially the same idea as the 'soviets' of workers and soldiers that spread throughout Russia during the revolutions of 1905 and 1917. [They] have spread to every major community of the Kuzbass region É and are growing increasingly confident*". (Hindustan Times 4/12/96, my emphasis.)

A report in The Guardian (18/12/96)

stated that: "In a move reminiscent of the creation of workers' and soldiers' soviets which preceded the 1917 revolution, they have set up a 'salvation committee' to co-ordinate protests and take the initiative from the ineffectual local authorities.

"It's like Lenin said: if the authorities can't govern in a new way, and the masses do not want to live in the old way, a third force appears,' said Valery Zuyev, aged 42, a mine electrician who heads the salvation committee.

"The committee movement, which began in September, has spread to other towns in the Kuzbass region. There have been

calls to buy weapons and Moscow is worried. Unlike the strikes by unpaid miners and teachers, the committees unite workers from all sectors. 'If they drive you into a corner, if your children are hungry, if the constitution isn't respected, the only thing is to demand the government be changed,' said Mr Zuyev. 'If you can't achieve that peacefully, you do it by force'."

The workers did not call them soviets, but that is what they were. This fact is of the first order of importance. It shows that the traditions of the revolutionary past, despite everything, are still alive in the hearts and minds of the Russian proletariat, which is actively seeking a

way out, relying on its own strength and its own methods. Very rapidly the strike movement began to put forward political slogans. Central to the miners' demands was the resignation of the government. At a joint protest meeting of coalminers and power engineering workers in Vladivostok dismissal of the cabinet was demanded. The meeting was attended by delegates of all enterprises affiliated to the regional Primorskugol and Dalenergo joint stock companies that run the mining and power operations in the far eastern Russian territory.

In such a context, the prospect of a return of the "Communists" fills the nascent capitalists with dread. No amount of

reassuring speeches by Zyuganov can calm these fears, which are not as irrational as they seem. Lacking any real understanding of the broad historical processes, these people possess enough cunning to know how to distinguish between words and deeds. They know that the masses have learned enough about market economics to be completely hostile to reform and that the new rich are hated. They also know that a Zyuganov government would be under intense pressure from the workers, and that the Communist Party is divided.

Can Zyuganov be trusted? The answer to this question lies, not in his subjective intentions or moral character, but in the

class balance of forces. Despite Zyuganov's intentions, the whole logic of the situation tends to an open conflict between the working class and the nascent bourgeoisie. Would it be correct to give critical support to that wing of the bureaucracy which was in conflict with the open advocates of capitalist restoration? That would depend. In one of his last works, *In Defence of Marxism*, Trotsky points out that it is necessary to give critical support to the Stalinist bureaucracy in struggle against capitalist regimes. At the same time, one had to distinguish clearly between situations where the bureaucracy is playing a relatively progressive role and where its actions are of a reactionary

character. In connection with the Soviet invasion of Finland, he wrote:

"This bureaucracy is first and foremost concerned with its power, its prestige, its revenues. It defends itself much better than it defends the USSR. It defends itself at the expense of the USSR and at the expense of the world proletariat. This was revealed only too clearly throughout the entire development of the Soviet-Finnish conflict. We cannot therefore take upon ourselves even a shadow of responsibility for the invasion of Finland which represents only a single link in the chain of the politics of the Bonapartist bureaucracy.

"It is one thing to solidarise with Stalin, defend his policy, assume responsibility for it--as does the triply infamous Comintern--it is another thing to explain to the world working class that no matter what crimes Stalin may be guilty of we cannot permit world imperialism to crush the Soviet Union re-establish capitalism and convert the land of the October Revolution into a colony. This explanation likewise furnishes the basis for our defence of the USSR." (Trotsky, In Defence of Marxism, p. 219.)

What is the most pressing task for the Russian workers at the present time? To prevent the nascent bourgeoisie from liquidating what remains of the

historical gains of October; to prevent the capitalist enslavement of the working people of Russia; to stave off the impending social catastrophe which threatens to push a large part of the people into physical and moral barbarism. The focal point of this struggle can be stated quite simply: The essential task in Russia at the present time is to defend state property against the nascent bourgeoisie, while simultaneously fighting for workers' democracy. We stand unequivocally for a policy of complete class independence. Under these conditions, the main demand would be for soviets-- democratically elected committees of delegates from every factory, mine,

office and barracks.

That is clear, but by no means exhausts the question. In the event of an open struggle between Zyuganov and the nascent bourgeoisie, we could not remain with arms folded. It would be necessary to fight for the defeat of the main enemy, the bourgeoisie, while patiently explaining that only the transfer of power to the working class can solve the problems facing Russia. If Zyuganov takes even half a step forward, we will support him, although not for a moment abandoning a principled class policy or muting our criticism of the programme and methods of Zyuganov.

As always, the policy of class collaborationism and reformist and constitutional illusions always become transformed into their opposite. Far from avoiding violence and civil war, they make it inevitable. While Zyuganov lulls the masses with slogans of peace, the representatives of the nascent bourgeoisie are preparing for a showdown. They understand that they cannot consolidate their hold on power without inflicting a decisive defeat on the working class. The CP and the unions, despite all the moderate speeches of the leaders, are obstacles in their path. At a certain stage, an open clash is inevitable.

To the degree that one wing of the bureaucracy actually takes steps to oppose the capitalist restoration, we are obliged to support them. Of course, this does not mean in the slightest degree supporting their policies and methods, which are not aimed at mobilising the masses, but on defending the privileged position of the bureaucrats. While supporting them against the nascent bourgeois, we will explain to the workers that the only real safeguard against restoration is to take the power into their hands. At the centre of our programme is the slogan of soviets--workers' councils, both as organs of struggle and future organs of workers' power.

Incidentally, here we see the theoretical and practical bankruptcy of the idea of state capitalism. According to this "theory", the regime in the USSR was already capitalist long ago. Why, then, should workers bother to defend the old forms of state ownership (state capitalism) against the nascent bourgeoisie, since there is no difference between them? This line of argument, which would completely disarm the working class in the face of the capitalist counter-revolution, is a glaring example of how a false theory leads inevitably to a disaster in practice.

In practice, that wing of the bureaucracy which stands for the defence of state

ownership (however indecisively) is organised in the CP. If we pose the question concretely--do we give critical support to the CP against the parties of the nascent bourgeoisie? For anyone except the most thick-headed sectarian, the question answers itself. Not only should we give critical support, but all adherents of Marxism should fight in the ranks of the CPRF, and, of course, the unions, and attempt to win over the best of the workers and youth to the genuine ideas of Lenin and Trotsky. Our method should be that of Lenin--"patiently explain". We should put forward the full programme of revolutionary internationalism and workers' democracy, while supporting the CP

against the Yeltsinites. We should explain that the only way to defeat the capitalist counter-revolution is by basing ourselves on the independent movement of the proletariat, organised in soviets.

The formation of action committees in every workplace, street, army barracks, college and collective farm would be the way to mobilise the population in defence of the most elementary democratic demands. This is the only way in which whatever elements of democratic rights that exist can be defended. Starting with defensive demands around opposition to postponing the elections, the non-payment of wages and the general social

collapse, and linking these immediate issues to the demand for a nationalised planned economy under the democratic control and management of the working people, the Communist Party would get overwhelming support.

Towards a new October!

The possibility of a social explosion is implicit in the situation. Shortly before finishing this book, Galina Strela, executive secretary on the 65-million-member Russian Federation of Independent Trade Unions, was quoted in the Morning Star (8/10/96) as saying:

"This problem has been dragging on for years and people have tried hard to

make adjustments and come to terms with present-day realities, but the situation only grows more and more desperate for Russian workers. Unless people are given some hope, an explosion is inevitable.' Russia's far eastern territory is in a state of near chaos after weeks of rolling strikes by coalminers and energy workers.

"Huge areas of Siberia have been hit by walkouts of coalminers, transport workers and power station employees--the number of such job actions reported by the official ITAR-Tass seems to grow with each passing day. The governor of the coalmining region of Kuzbass has halted remittance of tax revenues to

Moscow and declared a local state of emergency, arguing that the situation in the Siberian territory is 'catastrophic,' with tens of thousands of unpaid miners lacking money to buy food for their families.

"In the central Russian city of Belgorod, 4,500 defence industry workers blockaded the regional administration buildings last week, complaining that they haven't received any income at all since the beginning of 1996. There has been a huge upsurge in wildcat strikes and we can expect this to grow, perhaps to uncontrollable dimensions, in the coming weeks,' says Ms Strela."

These words convey better than any statistics the desperate position of the workers. This cannot go on indefinitely without provoking an explosion. The Federation of Russian Independent Trade Unions has called a nationwide general strike for the 27th March against the government and the growth of wage arrears. As of late January 1997, wage arrears caused by the shortage of funds in different budgets totalled Rbs9.48 trillion. Wage arrears caused by shortages in companies and organisations ran at Rbs39.12 trillion. According to FNPR, the total wage arrears rose by Rbs5.5 trillion from October 1996 through to January 1997. Zyuganov, who attended the FNPR

General Council, pledged support for the stoppage: "The Communist Party will take a most active part in this action."

Given the colossal weight of the Russian working class, it could not be theoretically ruled out that such a movement--when it develops--could lead to the overthrow of the regime, even before the working class has had time to organise a party. The rotten nascent bourgeoisie would not be able to offer serious resistance to a general movement of the Russian workers. They would be brushed aside like an insignificant mosquito. Whether or not the present strike wave signifies the start of a generalised movement, or just a

warning shot, it is impossible to say on the basis of the limited information at our disposal. But the general strike call for late March is very significant, given the mood that is developing within Russia.

The fact that so far there has not been an independent mass movement of the Russian workers does not mean to say that this will not happen. On the contrary, we confidently expect and predict it. And when it occurs, we will say with old Galileo: "Eppur si muove"-
-"And yet it moves!" Such a development, it is not necessary to emphasise, would completely transform the whole world situation. Needless to

say, a revolutionary movement of the workers is something which fills all sections of the bureaucracy with dread.

Whereas, as Marx says, the material transformations of production can be determined "with the precision of natural science", this is not true of the political forms in which the class struggle is fought out, or the way in which human beings acquire consciousness of their true condition. These are much more complex and contradictory processes. The contradiction between the economic base and the superstructure cannot last forever. Sooner or later it must be resolved one way or another. How the contradiction is resolved is a question

which cannot be settled in advance, like a mathematical equation, because it involves living forces. It involves the class struggle.

The result of the class struggle can no more be predicted with certainty than war between nations. It depends on many factors. Precisely for this reason, Napoleon said that war was the most complicated of all equations. Not just the numbers involved in fighting, but their morale, courage, discipline and experience, their supplies, weapons and equipment. Last but not least, the quality of their leadership, from the generals to the NCOs. Even then there are unforeseen factors like the weather and

the terrain, and even an element of luck, which all play a role.

In the present work, we have tried to give a picture of the different elements which have shaped the modern Russian proletariat and influenced its consciousness. Mainly as a result of the lack of information (this was after all a totalitarian regime) we did not fully appreciate the terrible effects on the consciousness of the working class of two generations of Stalinist rule. As we have stressed, the only reason why the situation has evolved as it has is because of the temporary inertia of the proletariat. But that is now changing. The working class still remains the most

important element in the equation. How is it prepared for the great events that impend?

Numerically, it is an impressive force. Moreover, thanks to the way that central planning operated, it is concentrated in huge industrial centres involving hundreds of thousands of workers. If anyone wants to know what that can mean, let them look what happened in Poland in 1980, when ten million workers moved to change society. Nobody expected that explosion. And in the same way, the Russian working class which everybody has forgotten about or written off, can take the world by surprise. True, decades of totalitarian

rule have had their effect, confusing and disorienting the masses. But life moves on. The workers have had a taste of "market economics" and are drawing their conclusions. The recent strikes indicate that they are flexing their muscles. They will inevitably move into action in the next period. Moreover, they have understood the need to organise. The unions have over 60 million members. The Communist Party has over half a million. This would constitute a formidable force if it were mobilised to transform society.

The importance of leadership

Marx and Engels maintained that the

socialist revolution was inevitable. But they also pointed out, if the working class did not succeed, it might end up in "the common ruin of the contending classes". The choice is ultimately between socialism or barbarism. In Russia at the present time there are already elements of barbarism. The present chaos threatens to bring about a complete collapse. This is a real possibility, if the working class do not take power in the next period. Of course, in a broad historical sense, socialism is inevitable because the capitalist system has reached an impasse on a world scale. That is one of the main reasons which leads us to doubt the viability of capitalism in Russia, although it is not

ruled out that they may succeed for a time on a very unstable basis. But even an unviable system must still be overthrown. And that requires something more than just favourable objective conditions, numerical strength or even the willingness of the masses to fight for a change of society. *The subjective factor is also indispensable.*

It is a paradox that, if the Communist Party really stood for Leninist policies, we would be on the eve of a new revolution at the present time. In the absence of the subjective factor, all kinds of aberrations can take place. However, even without a party, it is not theoretically ruled out that the working

class can come to power in Russia. Such is the colossal weight of the Russian proletariat that a general strike and insurrection could succeed before the Marxist party has time to develop. However, the history of the last seventy years has shown the need for a revolutionary leadership armed with theory, and basing itself on the collective experience of the revolutionary movement on a world scale. In the absence of this, there can be a catastrophe. Given the absence of revolutionary leadership, and the extreme confusion and disorientation of the workers, it is possible that the movement might end in defeat. In that case, the only conceivable outcome

would be a period of Bonapartist dictatorship of one sort or another. The present unstable situation cannot last for very long. No society can exist in such a state of tension indefinitely.

This brings us to the nub of the question. When we say that the subjective factor is the key, what does this mean? We have already seen that, without Lenin and Trotsky, the October Revolution would never have taken place. The problem facing the Russian working class today can be summed up in one word-- *leadership*. Fortunately, the subjective factor is not limited to the leading layer. Lenin said that the working class was more revolutionary than the most

revolutionary party, and that is a thousand times correct. The Russian proletariat has a long and glorious revolutionary tradition. They will rediscover it in the course of struggle. Of course, this process would be far quicker and more effective if a genuine mass Leninist current were present. But they will learn anyway. The Russian proletariat was the first to set up soviets on the basis of the 1905 Revolution. We must never forget that the soviets were not the invention of the Bolsheviks or any other party, but the spontaneous invention of the working class.

The Russian workers will return to the traditions of 1905 and 1917. In fact, they

are already returning to them. In the recent miners' strikes, the workers in Kuzbass had set up a soviet which was effectively taking over the running of the local area. That is the real tradition of the Russian working class. It demonstrates conclusively that the old ideas and traditions have not been entirely lost but live on deeply rooted in the consciousness of the class. *This was the first time in 80 years that genuine soviets had been set up on Russian soil.* That is a fact of enormous importance. With no lead from the Communist Party, from the unions, or from anyone else, they set up democratically elected committees. Although these will undoubtedly have been dissolved at the

end of the strike, they will surely reappear again in new struggles, and will assume a far wider sweep as the crisis begins to affect the working class as a whole.

The conditions for an elemental movement of the Russian proletariat are now being prepared. An explosion can occur when least expected. We can be faced with a situation similar to the Paris Commune, but on an incomparably higher level. However, the truth is always concrete. In the specific conditions pertaining in Russia, such a movement could only result in the Communist Party coming to power. But if Zyuganov is impelled into power by a

mighty movement of the proletariat, he may be forced to go much further than he intends. It would be difficult to maintain the gains of the corrupt Mafia capitalists. The workers would demand the renationalisation of all the main sectors. Once the working class moves into action, it will put its stamp on the entire process.

Under such conditions it would be impossible to reimpose a Stalinist totalitarian regime. At worst, it would be like 1923-30, the period before the bureaucracy was consolidated. That means that the working class could take over without the need for civil war. That would be a relatively simple step, given

the immense power of the present-day proletariat in Russia. Under modern conditions, the working class could immediately begin to take over the administration of industry, society and the state and move in the direction of socialism in the real sense of the word, not the bureaucratic caricature of Stalinism.

In Greek mythology there is a giant called Antaeus who wrestled with Hercules. Many times he was hurled to the ground, but every time he would rise again with renewed strength which he derived from his mother, the earth. The working class is like that giant. No matter how many defeats and

disappointments it suffers, it always returns to the struggle, because there is no alternative. No one can break the instinctive will of the working class to change society. The whole history of Russia in the twentieth century is living proof of this assertion. From the establishment of the first small propaganda circles of Marxists, to the 1905 revolution, 20 years passed. From the period of reaction that followed the defeat of the first revolution there was a gap of ten years until the new awakening. In this time, the workers' movement knew moments of bitter despair, but inevitably the situation changed. The present period is no different. In spite of all the difficulties,

in spite of the terrible confusion and disorientation which are the inevitable result of six decades of totalitarian reaction, the Russian proletariat will rise again.

After the defeat of the Russian workers in the Revolution of 1905-06, Trotsky predicted that an economic boom would be necessary before the class would recover its confidence. That was shown to be correct. The economic revival of 1910-11 was the signal for a new revolutionary upheaval, which was only cut across by the first world war. Something similar can happen this time. But it is also possible, given the colossal accumulation of discontent, that

the attempt to close the big factories will provoke fierce defensive struggles which might, under certain conditions, become transformed into offensive ones. One thing is clear. Once the class begins to move, the whole attitude of the workers will change. The whole atmosphere will be transformed. Events can be precipitated by movements on the political plane. Lenin pointed out that the first condition for a revolution is a split in the ruling class or caste. The ruling elite in Russia is already split. This is no accident. The political instability at the top is a distorted reflection of the general instability in society. For the past six years, there has been one upheaval after another, and no end is in

sight, elections or no elections.

Once the fresh winds of the class struggle begin to blow, the fog that clouds people's minds will be rapidly dispersed. The ideas of October will once again command the allegiance of millions. The leaders of the Revolution will be restored to a place of honour, not in lifeless mausoleums, but in the hearts and minds of the working people--not only the great Vladimir Illyich Lenin, but also that other great leader and martyr of the working class, Leon Trotsky. He alone kept the spotless banner of October flying in the face of the most terrible adversity and unprecedented persecution. Trotsky was murdered by

Stalin, but his ideas live, and have been triumphantly vindicated by history. The new generation of Russian workers and Communists will find a way to these ideas and make them their own.

On the basis of experience and struggle, the Russian proletariat will rediscover the traditions of the past--the spotless traditions of workers' democracy and internationalism which alone provide the answer for the problems of the working class in Russia and on a world scale. It is not possible at this stage to be categorical about how the situation will resolve itself. But one thing is clear--Russia has entered into a new period of storm and stress, the outcome of which

will have a decisive effect on the history of the world. The land of October is once more a decisive factor in the world revolution.

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Russia:
from Revolution to
counterrevolution

Appendix One:

Capitalist restoration
in Eastern Europe?

From revolution to counter-revolution

Is it possible to re-establish capitalism in a "cold" way? Trotsky did not think so. Yet, in Eastern Europe, this appears to be happening. Marxists must never be afraid to say what is. Lenin pointed out that "history knows transformations of all sorts". And that is certainly the case. The first European who saw a giraffe is supposed to have exclaimed "I don't believe it!" But, as materialists, we are compelled to believe the evidence of our senses, even where this contradicts preconceived ideas.

In 1989, there were mass protest movements all over Eastern Europe. The

potential was present for a political revolution, but in the absence of mass revolutionary parties, the movement was diverted onto other lines. In Czechoslovakia, Havel had a pro-bourgeois position from the beginning. In East Germany, the leaders of the protest movement originally did not want to go back to capitalism. In Hungary, it was the ex-Stalinists themselves who started the slide towards counter-revolution even earlier. But, despite the differences, in all these countries the bourgeois tendency got the upper hand. There were a number of reasons for this. First, the absolute impasse of the bureaucratic system; second, the temporary boom in the West, and the

pressure of German capitalism; third, the fact that, unlike Russia, "communism" was imposed from without and widely identified with foreign oppression and rule from Moscow; last, and most importantly, the absence of a revolutionary party and leadership, which could have posed an alternative.

With the exception of Rumania, there was no uprising. The decrepit bureaucracy collapsed without a fight, or collaborated with the capitalist counter-revolution. Rumania was an indication of the revolutionary potential of the proletariat. The West was seriously alarmed, as shown by their appeals to Gorbachov to intervene. Elements of

dual power existed in Rumania in the workers' committees and factory militias, but once again, in the absence of the party, the movement was derailed, this time by the Stalinist faction. The same thing would have undoubtedly happened to the Soviets in 1917, had the Bolshevik Party been absent.

The decisive factor was the impasse of the economy under the bureaucratic regime. If they had been able to maintain the rate of growth, the bureaucracy would not have changed anything at all. Just across the border, in capitalist Germany and Austria, the economy appeared to be booming. In the last analysis, there was not much to choose

between the bourgeois and Stalinist gangsters, once the growth rate reached zero. Despite everything, the prevailing mood of the working class was to maintain state ownership, but with democracy and reform, even in East Germany.

The situation in Eastern Europe is not uniform. There are differences between the different countries, which make precise comparisons difficult. The Baltic states are too close to Russia, and have the problem of large Russian minorities within their borders, a potentially explosive issue for the future. A Stalinist regime in Moscow, or an aggressive imperialist one, could

swallow them up with a single mouthful. The West could do nothing to prevent it. The economies of Rumania, Bulgaria, Serbia, Bosnia and Macedonia are too backward to make them attractive to Western investors. Privatisation here has not gone very far. Even Slovakia, despite being part of the original "Vysegrad group", is an uncertain case. Slovakia began the process of privatisation whilst still part of Czechoslovakia, but has since gone back:

"But now Slovakia is going backwards on privatisation: it has halted the use of vouchers and is selling off state companies mostly to those who run

them: ex-apparatchiks chummy with Mr Meciar." (The Economist, 18/11/95.)

It is necessary to distinguish between different cases, as the bourgeois certainly do. East Germany is a special case, because here the restoration of capitalism is a product of absorption into the most powerful capitalist state in Europe. It can be taken for granted that the process has already passed the point of no return, although even here it is not free from contradictions. As shown @by the high level of unemployment and the undercurrent of discontent, mirrored, as in other Eastern European countries, in increased support for the ex-Stalinist party, the PDS, which scored a big

electoral success in East Berlin. In the future, the radicalised working class of East Germany can play a big role in fertilising the German working class with socialist ideas. It will not be an easy morsel to digest, especially now that German capitalism is entering into crisis.

If we leave out of account the special case of East Germany, we can distinguish broadly between two blocks--the so-called Vysegrad Group (the Czech Republic, Slovakia, Poland, Slovenia and Hungary), and the rest. The process of privatisation in the Czech Republic, and its integration with the German economy has gone very far. It is

possible, but by no means certain, that the point of no return has been reached. The case of Poland is still more doubtful. Slovenia's economy is small enough to make its absorption by Germany, together with Austria and Italy, a viable proposition.

The case of Hungary also has peculiarities. Faced with the impasse of Stalinism, the Hungarian bureaucracy decided, even before Gorbachov's reforms, to start the movement towards capitalism. This is in the Hungarian tradition. Let us recall that in 1918, the Hungarian bourgeoisie handed over power to the Communists without a fight. Capitalism in Hungary was only restored

then, as a result of the bungling of Bela Kun and the CP leaders, by armed intervention of the Rumanians, backed by France. Now the Hungarian ex-Stalinists have openly gone over to the capitalist counter-revolution, and are doing the dirty work of restoration like their Polish equivalents. Along with the Czech Republic, it is the country in Eastern Europe where the process has gone furthest.

As before the war, Italy has designs on Albania, a small and backward country, which could end up as an Italian colony in the Balkans. The same may be true, at a later stage, of Croatia in relation to Germany. The prospects for capitalism

in all the other states of Eastern Europe and the Balkans are far from hopeful. Romania, Serbia, Bulgaria, Macedonia and Bosnia are poor and backward economies with unstable regimes. Privatisation has not made much progress, and there is very little foreign investment. Slovakia is a border-line case. What happens in these states depends upon events outside their borders, above all, in Russia and China.

Commenting on the differences between these states, *The Economist* (18/11/95) pointed out:

"Each country has gone its own way. The Czech Republic has concentrated on

vouchers in order to move fast. Hungary has focused on sell-offs in hopes of encouraging efficient management, but this has gone badly wrong in places. Poland started with sell-offs, but found the process slow and is now moving to vouchers. Somehow it all comes down to the same thing: because there is virtually no accumulated capital in private hands, the state ends up paying for most privatisations. Since it is all new, the rules are often imprecise or simply lacking altogether.

"This disturbs foreign investors, the ones with real money. And although Central European countries desperately need foreign capital, their revived sense of

identity arouses nationalist qualms about being bought out by foreigners. Poland and Slovenia in effect ban outsiders from owning land. The Czech Republic and Slovakia restore property to owners dispossessed under communist rule; Hungary does not. Only large foreign companies with real clout, such as Volkswagen, Siemens and General Electric, have been able to move through this thicket with any ease.

"By and large, the energy and telecoms sectors remain state domains with, at most, only minority stakes being sold off. Older heavy industry is still in state ownership in most places, even if foreign buyers are attracted by it (which

on the whole they are not). 'Private owners cannot be invented,' says Joze Mencinger, a former economics minister in Slovenia. 'New capital must come from profits it will take the private economy years to build up'."

According to some estimates, up to 80 per cent of the economy of the Czech Republic is now in private hands. If this is the case then it would suggest that the process here has also reached the point where quantity becomes transformed into quality. However, the claim that up to 80 per cent of the economy of the Czech Republic is privatised is not accepted by serious Western analysts. The Financial Times (2/6/95), in a

survey of the Czech Republic, had this to say on the subject:

"The government's boast that 80 per cent of the economy is in private hands is, however, an exaggeration. The National Property Fund still holds big stakes in many partly privatised companies and sits in corporate boardrooms alongside private shareholders, who wield most influence."

The same point was made by The Economist (18/11/95):

"It is when it comes to privatisation that the Czechs tend to exaggerate. Mr Klaus's motto is 'Any private owner is better than the state.' But the quick

privatisation method he adopted--the distribution of share vouchers among the population--can easily create an illusion of private ownership in place of the real thing. The government's claim that 80 per cent of Czech GDP already comes from the private sector is debatable. Responsibility for 'privatised' factories is often simply shifted from the state to local authorities. The Czechs hail their privatisation effort as brisk and clear, but plenty of obscure corners remain.

"For example, the stable, market-minded Czech Republic might be expected to prove irresistibly attractive to foreign investors. Yet total foreign investment since 1990, at under \$4 billion, has been

relatively disappointing. 'You can't buy what you want in this country,' German businessmen can be heard lamenting. Volkswagen runs Skoda, the Czech carmaker; but a famous distillery at Karlovy Vary (Karlsbad to Germans) lost its lure for German buyers when the government in Prague, reluctant to let go of a 'national treasure,' decided to limit the sale to a minority holding. In one way or another, the government still controls much of basic industry. The remarkably low unemployment rate, below 5 per cent, suggests that so far it has failed to undertake much of the essential industrial restructuring the country needs."

And again:

"At first sight, the scale of the transfer has been phenomenal. In the space of five years, the private sector's share of the economy has jumped from near zero to 60 per cent-plus (crowing Czechs claim 80 per cent). Much of this, however, is voodoo privatisation. It gets industry off the state's books, but for the most part 'private' industry in Central Europe is still short of real money and real owners. Moreover, the process has brought deep corruption, some of it so ingenious that one cannot help admiring the entrepreneurial flair behind it. The whole thing is aptly summed up by Lech Walesa's old line: 'It is easy to turn an

aquarium into fish soup, but not so easy to turn fish soup back into an aquarium'."

Foreign investment

There are 70 million people in Eastern Europe. On the face of it, a tempting market. But living standards are low--only one-third of the EU average.

Germany's interest in Poland and the other states on its eastern borders is both economic and strategic. It would like to take advantage of the raw materials and cheap labour, and also to create a buffer zone separating Germany from Russia.

The best way to ensure German domination of these countries is by incorporating them in the EU. In

practice, they are already German satellites. Well over half the region's trade is now done with Western Europe, and Germany has the lion's share.

Germany provides the bulk of the foreign investment there, followed by the US and Italy. In practice, Eastern Europe has become part of the D-Mark zone. From Slovenia to Poland, ask anyone what their car cost, and the answer is likely to be in D-Marks.

However, the growth of German power and influence is being watched with anxiety by Britain and France, as well as the poorer EU members like Spain whose interests lie, not in the East, but in the Mediterranean. Britain, while

formally in favour of allowing the new states to join, in practice is blocking them by insisting on maintaining the right to veto. There are many other contradictions which will make it difficult for Germany to get her Eastern European satellites into the EU. Some 58 per cent of the land area of Central Europe is dedicated to farming, as opposed to 43 per cent in the EU. The sector accounts for 5.5 per cent of regional GDP, over twice its share in the EU. Its agriculture poses a direct threat to France, which has opposed the eastward expansion of the EU. Already about half the EU's budget is taken up by the Common Agricultural Policy (CAP). The entry of Germany's eastern satellites

would signify an increase in Europe's farm expenditure of one-third. This would mean the collapse of the CAP, something which France would fight tooth and nail.

The calculations of Germany are transparent. What is now the Czech Republic is based on the former German colony of Bohemia-Moravia. Its proximity to Germany, developed industry and skilled labour force make it a useful adjunct for the German economy and source of cheap labour. The re-establishment of capitalism in the Czech Republic is thus a product of its semi-absorption by Germany. "The shadow over Central Europe is not only

Russia's," writes The Economist (18/11/95), "Germany casts a bigger one, and for once the region is happy to see it there. However, since worries about German domination are never far from the surface in this region, Germany tactfully refers to itself as the Central Europeans' 'tutor' or 'advocate.' In the same vein, Germans refrain from talking about Mitteleuropa, a handy term but one fraught with history. It harks back to a time when the German Reich made precious little distinction between its economic and its military ambitions there. It is better for Germany not to overplay its new hand. After all, everyone knows that Berlin, its reinstated capital, is part of what one

might call greater Central Europe--of which Berlin will in all probability emerge as the metropolis.&"

The national question is still important in Eastern Europe, where the historical memory of foreign domination is still a powerful factor. Initially, the domination of Germany seemed to many to be preferable to subordination to Moscow, particularly if it meant the entry of large amounts of German investment and German living standards. For the great majority, however, this is an unattainable dream. Investment has been patchy, and accompanied by mass layoffs and closures, even in the Czech Republic, as the Financial Times (2/6/95) points out:

"But foreign investment has developed a bad image among many ordinary Czechs. Disillusion set in after Volkswagen curtailed its big investment in Skoda Auto in 1993, expensively hired American managers failed to pull round the ailing Tatra truck plant and Air France pulled out of Czechoslovak Airlines last year."

The promise of big foreign investment, with one or two exceptions, has not met expectations:

"Poland bemoans a disappointingly slow rate of foreign investment. In Warsaw you will be told that the \$4 billion or so of foreign capital invested in Poland

since it turned democratic is roughly what the Germans are spending on doing up a single street in east Berlin, Friedrichstrasse." (The Economist, 18/11/95.)

The Hungarians and Czechs have done better, because they are seen as more "stable". But the attitude towards foreign capital was illustrated in the following remarks by Vaclav Brom, spokesman of the big Czech company CKD Praha Holding:

"Many foreign companies came to the Czech Republic with one aim: to take part in our companies, to control the business, cancel R & D (research and

development) and transfer work to themselves and to use us as cheap labour." (Financial Times, 2/6/95.)

The inner stability of these regimes will ultimately be determined by the attitude of the masses to it. Here the most important question is their ability to achieve higher living standards and better conditions than the previous regimes. In fact, the movement towards capitalism has been accompanied by a catastrophic fall in living standards. In the first nine months of 1990 alone, there was a fall in production of 18%, including a drop of 4% in Czechoslovakia and a staggering 27% in Poland. Half the population of Bulgaria

was unemployed and the other half looking for food. There were 24 hour power cuts. This is a picture of chaos unparalleled in peacetime. While there has been some improvement since, it has been extremely uneven. Unemployment, falling living standards, extreme inequality and collapsing social services are the norm in most of these countries. By comparison, the masses look back to the period of Brezhnev as a "golden age". What is true for Russia is also true, in greater or lesser measure, for the other countries of Eastern Europe.

The bourgeois press is recently full of glowing reports about the "economic recovery" in Poland. There has indeed

been an upturn in Poland over the last three years. According to figures recently published by the General Statistics Office (GUS) the Polish economy grew by 7 per cent in 1995. They speak of shops lined with high quality imported goods, new stores, restaurants and banks, and a boom in private car ownership. Dorota Warakomska, a Polish economist, has invented an extremely elegant definition of freedom, which adequately conveys the mentality of the nouveaux riches of Eastern Europe: "Freedom is walking into a shop to admire what you cannot yet afford." Since there are very many things in the shops that ordinary Poles cannot afford, this definition of freedom

is not particularly popular at the moment. That the economy has picked up is not surprising. No economy can continue to fall forever. But what they call a "recovery" means, in practice, that Poland's industrial production only just reached the level of 1989 in 1995. And what did this feat signify for living standards? The Financial Times (5/2/96) reported:

"But the gains have not been equally spread. GUS show that GDP was 3 per cent higher than in 1989, but this has been accompanied by massive job cuts. While the loss of jobs has contributed to higher productivity, it has also left a total of 2.6 m. people registered as

unemployed.

"Also, for millions of Poles improved macro-economic performance has meant cuts in real incomes after the 1990 'shock therapy' market reforms and the collapse of the Soviet market. The purchasing power of the average wage is only 75 per cent of 1989 levels as a 38-fold increase in prices has outpaced income growth. But the rich have grown richer." (My emphasis.) Moreover, the fall in living standards is reflected in a dramatic drop in the birth rate. This, in spite of the violent hostility of the Roman Catholic hierarchy to abortion and birth control:

"At home, many families have adapted to lower real incomes by having fewer children. Despite a recent virtual church ban on abortion. Last year saw the smallest population increase in Poland since the war. This is partly a reflection of the acute housing shortage. Housing completions are down to 1940s levels with only 58,400 dwellings finished last year compared to 150,200 in 1989 and an annual peak of over 250,000 in the late 1970s."

Private house building in Poland now accounts for 50 per cent of the total, against 37 per cent in 1989. Unlike other Eastern European countries, Poland had a large private agriculture and co-

operative sector even before 1989. Thus, even at that time, 47 per cent was recorded as working in the private sector. That figure increased to 63 per cent in 1995, which is not as much as it seems, if we take into consideration the starting point, plus the fact that, in the same period, 40 per cent of state sector enterprises disappeared. There are still nearly 4,360 state-owned companies in Poland. "The others collapsed under the weight of their own debts, were taken over by private investors or were bought out by management and employees. At the same time the number of private joint stock companies has grown six fold to 95,017." (Financial Times, 5/2/96.)

Attack on living standards

The Hungarian economy has experienced a growth in real terms, although more slowly than the 6 per cent which represents the average for Poland, the Czech Republic and Slovakia in the recent period. But there is a question mark over the future. For all these countries, the economic perspective for the EU is the fundamental question. The present slowdown does not bode well for them. Despite the growth, living standards have continued to decline for the majority. Real income in Hungary fell by 10-12 per cent in 1995, and are expected to fall by a further 2 per cent in 1996. Inflation remains high. This causes

the strategists of capital to fear an outbreak of strikes which could undermine the "reform". And their conclusion, typically, is--a further attack on living standards. Social expenditure in Hungary still accounts for a third of GDP must cut the size of the public sector through privatisation.

Scandalously, the ex-Stalinists in the Budapest government have pushed through savage cuts in public spending which even the courts opposed.

Even in the Czech Republic, the movement towards capitalism has been accompanied by a rapid rise in unemployment and a fall in living standards. The collapse of Comecon, the

former trading block linking Eastern Europe and the USSR, deprived the industries of Czechoslovakia, Poland and the rest of their "natural" markets. Even now, half of the foreign sales of the big CKD holding company and engineering group traditionally at the heart of Czech industry, whose workforce has been cut from 25,000 to 12,000 in the past five years are with Russia and other former parts of the Soviet Union.

"Employment in the biggest 20 companies has been cut by between 30 and 40 per cent over the past five years," Karel Dyba, the Czech minister of economy is quoted as saying. "The

Ostrava coalmines have cut back by 50-60 per cent." At the same time, the parasitic finance sector has quadrupled. The public optimism in the future of the Czech economy is contradicted by the words of Vladimir Dlouhy, the minister of trade:

"Over 3,000 state owned enterprises are waiting for liquidation. In the meantime, they keep sucking up subsidies and keeping people inefficiently employed." Here is the authentic voice of the bourgeois counter-revolution! Up till now, says Dlouhy, "we have been comparing ourselves favourably with the other former communist countries in the region. From now on we should adopt a

tougher yardstick and compare our productivity with that of the EU countries we aspire to join".

The article adds: "The signs are that with mass privatisations now formally over, managers of the newly privatised companies will act more determinedly in future to cut costs and raise productivity. *They are expected to shed excess labour, invest in new plant and attract foreign partners.*" (Financial Times, 2/6/95, my emphasis.) This is a finished recipe for class struggle in the Czech Republic.

The position of the rural population is no better. Paradoxically, even in Eastern

Europe the peasants do not provide a mass base for capitalist restoration, as Trotsky had thought. The movement towards capitalism has brought no relief to the peasantry, but quite the opposite. For the small peasant farmers in Poland and Hungary, it spells disaster. Living on small, unproductive plots of land, from which they can barely scratch a living, they have quickly realised that the market economy offers them nothing except insecurity, high prices and ruin. The attitude of the majority of peasants to the new regime is accurately portrayed in the following example:

"Jan Kalinski farms a few of those strips, a morning's walk from Lukow, a

small market town halfway between Warsaw and Poland's border with Belarus. His aim in life is to keep the wolf from the door. He, his wife, his five children and his ailing mother live in a two-room wooden shack put up around 1900, down a mud lane off the Lukow road. Nothing much has changed here in a century. The wiry Mr Kalinski has just turned 40, but looks 20 years older. He has two cows, some pigs, chickens, a strip for potatoes and a strip for barley. His farm is six-and-a-half hectares (16 acres), close to the Polish average of seven. The EU average is 16.

"On a green and peaceful autumn morning, Mr Kalinski grumbles that

prices are too low to make it worth selling anything. He was much better off before communism ended. The Russians took what he produced at a decent price. 'Before, you could sell anything. Now you have to sell twice as much to get the same bag of fertiliser. The Russians still want our stuff, but they have no money to pay. The Germans have enough of their own stuff, and all they want to do is sell to us.' On the radio, Mr Kalinski hears all the time that Poland is preparing to enter the EU, but he is not counting on manna from heaven. 'Roll up your sleeves and help yourself, that's all we hear. The only way for a farmer here to make money is to open a shop. Soon there'll be more shops than farmers'."

(The Economist, 18/11/95.)

The growing discontent of the masses is reflected in increased support for the Communist Parties all over Eastern Europe. What happened in Poland was particularly significant. After all that had happened, the CP won, not only the elections but ousted Walesa from the Presidency. This shows an important shift in the attitude of the masses.

However, the corrupt and degenerate Polish ex-Stalinists have continued down the road of capitalism. The decisive section of the bureaucratic elite are transforming themselves into private capitalists. In this way, they will prepare the ground for a ferocious reaction at a

later date, and the coming to power of a vicious bourgeois Bonapartist regime which will make the old Pilsudski dictatorship look tame.

Such a regime, however, would not even have the kind of relative stability that Pilsudski enjoyed. After all, he based himself on the support of the peasants, whereas the Polish peasants today understand that they have no future under the capitalist regime, and are hostile to it. This phenomenon, which is not peculiar to Poland, is a striking indication of how the class balance of forces has changed to the detriment of the bourgeoisie since Trotsky's time. The strength of the working class and the

weak mass base of reaction rules out stable and long-lasting bourgeois regimes in Eastern Europe. There will be a whole period of social and political crises, as they try in vain to find a way out of the impasse. The working class will have many opportunities to transform society, and the Marxist tendency will have many opportunities to establish itself as the dominant current in the working class.

The fate of Eastern Europe is bound up with events in Russia and Western Europe. Since the late Middle Ages, the destiny of these small states was entirely dictated by the actions of Russia, Germany (the Teutonic Order, Prussia)

and, until 1918, Austria. For centuries, Poland originally did not exist as an independent state, being divided at different times between Russia, Prussia and Austria. Hungary only became independent in 1918, before which it was part of the Austro-Hungarian empire, as were Slovenia, Croatia and Bosnia. The other Balkan states were dependent on one or another of the imperialist powers, especially Germany, but to some extent, France, Russia and Britain also. The Baltic states were either under Poland, or Russia, or German colonies. The Ukraine was divided between Russia and Poland up to 1939, and was occupied by Germany in 1918 and in the second world war. Up

to 1945, with the exception of Czechoslovakia, all were weak, semi-feudal economies, overwhelmingly agrarian, dominated by foreign capital, with corrupt, dictatorial Bonapartist regimes.

With the possible exception of the Czech Republic, which is now a satellite of German imperialism, the basis of capitalism in most of Eastern Europe is still quite fragile. In Poland, where the ex-Stalinists in government are attempting to pursue the capitalist road, carrying out a vicious policy of cuts and factory closures, the road is being prepared for Bonapartist reaction. But, as Trotsky explained, in a modern

industrial society, the army and the police are too narrow a base to keep the working class down for long. A regime of bourgeois Bonapartism in Russia or Poland would not be a stable regime. It would be shaken by crises in the rest of the world. Sooner or later, there would be new movements of the masses which would prepare the way for revolution.

Above all, what happens in Russia will be decisive. If Zyuganov moves to renationalise industry, that will have a dramatic effect. The whole of Eastern Europe would go the same way. The ex-Stalinist leaders would do yet another somersault, and get enthusiastic support from the working class. It is even

possible that the workers of Poland and Hungary would move to take the control of society into their own hands, leading to the establishment of healthy workers' states. The Polish workers have the tradition of 1956, 1970, 1976 and 1980. The Hungarian workers have the tradition of 1919 and, above all, the glorious Hungarian Commune of 1956. These traditions will be rediscovered in the course of struggle. But the central problem remains the building of the subjective factor, the absence of which has led to the derailing of the great movements of the past.

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Russia:
from Revolution to
counterrevolution

Appendix Two:

The Marxist theory of
the state

(Once more on the

theory of 'state capitalism')

The economics of the transitional period

The most significant thing about all those who sought to revise Trotsky's position on the Russian question is that they always deal with the problem in the abstract and never concretely explain the laws of the transitional society between capitalism and socialism and how such a society would operate. This is not accidental. A concrete consideration

would impel them to the conclusion that the fundamental economy in Russia was the same as it was under Lenin and that it could not be otherwise. The germ of the capitalist mode of production, which began under feudalism through the development of commodity production, lies in the function of the independent craftsmen and merchants. When it reaches a certain stage, capitalist relations arise and exist side by side with a feudal superstructure. The latter is burst asunder by revolution and the possibilities latent in capitalist production then have the free possibility of fruition unhampered by feudal restrictions. The whole essence of revolution (both capitalist and

proletarian) consists of the fact that the old relationships and the old forms do not correspond with the new mode of production that has ripened within the womb of the old society. In order to free itself from these restrictions, the productive forces have to be reorganised on a different basis. The whole of human history consists of the working-out of this antagonism through all its various stages in different societies.

Socio-economic formations never appear in a chemically pure form. Within a given form of society elements of earlier social formations and relations can coexist more or less uneasily with the new forms. Moreover, this situation

may last for some time. The bourgeois revolution does not immediately destroy feudalism at one blow. Powerful feudal elements still remain, and to this day the remnants of feudalism exist even in the most highly developed capitalist countries--the peasantry, the aristocracy, the House of Lords in Britain, the monarchy, and so on. But similar contradictions existed under feudalism too. In the Middle Ages, within the framework of the feudal mode of production the elements of capitalism began to develop in the towns. These capitalist elements played a significant role (trade, usury, etc.) and eventually overthrew the feudal order. But that did not alter the fundamental nature or law

of motion of feudal society. Similar observations could be made about slavery, or any other form of society. *Marxism analyses social formations concretely, with all their contradictory features, and not as ideal norms.*

This is the fundamental error of the state capitalist theory. It sets out from an abstract presentation of the transitional period and fails to distinguish between the mode of production and the mode of appropriation. In every class society there is exploitation and a surplus which is utilised by the exploiting class. But in itself this tells us nothing about the *mode of production*. For example, the mode of production under capitalism is social as

opposed to individual appropriation. As Engels explained:

"The separation between the means of production concentrated in the hands of the capitalists on the one side, and the producers now possessing nothing but their labour power, on the other, was made complete. The contradiction between social production and capitalist [read individual or private, as Engels had already explained] appropriation became manifest as the antagonism between proletariat and bourgeoisie." (Engels, *Anti-Dühring*, p. 321.)

The transitional economy which, as Lenin pointed out, can and will vary

enormously in different countries at different times, and even in the same country at different times, also has a social mode of production, but with state appropriation, and not individual appropriation as under capitalism. This is a form which combines both socialist and capitalist features.

Under capitalism, the system of commodity production par excellence, the product completely dominates the producer. This flows from the form of appropriation, and the contradiction between the form of appropriation and the mode of production; both factors flow from the private ownership of the means of production. Once state

ownership takes its place, whatever the resulting system may be, it cannot be capitalism because this basic contradiction will have been abolished. The anarchic character of social production with private appropriation disappears, *and with it the law of motion of capitalist society* (booms and slumps).

Under socialism, as under capitalism, there will be a social mode of production but, unlike capitalism, there will also be a *social mode of distribution*. For the first time production and distribution will be in harmony. Merely to point out the capitalist features which undoubtedly

existed in Stalinist Russia (wage labour, commodity production, the fact that the bureaucracy consumes an enormous part of the surplus value and so on) is not sufficient to tell us what the nature of the social system was. Here too, an all-sided view is necessary. One can only understand the nature of social relationships which existed in the Soviet Union by taking them in their totality.

From the very beginning of the revolution various sectarian schools have produced the most untenable ideas as a result of their failure to make such an analysis. Lenin summed up the problem thus:

"But what does the word 'transition' mean? Does it mean, as applied to economics, that the present order contains elements, particles, pieces of both capitalism and socialism?

Everyone will admit that it does. But not all who admit this take the trouble to consider the precise nature of the elements that constitute the various social-economic forms which exist in Russia at the present time. And this is the crux of the question." (LCW, Vol. 27, p. 335.)

To abstract one side must lead to error. What was puzzling about the Russian phenomenon was precisely the contradictory character of the economy.

This was further aggravated by the backwardness and isolation of the Soviet Union. This culminated in the totalitarian Stalinist regime and resulted in the worst features of capitalism coming to the fore--the oppressive relations between managers and workers, piece-work, inequality and so on. Instead of analysing these contradictions, Tony Cliff, in an effort to bolster his theories of state capitalism, endeavours to try and fit them into the pattern of the "normal" laws of capitalist production.

In addition, the tendency under capitalism for the productive forces not only to become centralised but even for

measures of statification to be introduced can result in a wrong conclusion. To prove that "state capitalism" in Russia is, in the last analysis, the same as individual capitalism with the same laws, Cliff in his work on Russia, cites the following passage from Anti-Dühring:

"The more productive forces it [the state] takes over, the more it becomes the real collective body of all the capitalists, the more citizens it exploits. The workers remain wage-earners, proletarians. The capitalist relationship is not abolished; it is rather pushed to an extreme. But at this extreme it changes into its opposite. State ownership of the

productive forces is not the solution of the conflict, but it contains within itself the formal means, the key to the solution." (Engels, *Anti-Dühring*, p. 330.)

In point of fact, Engels is arguing precisely the opposite. Let us re-examine the passages and see how we draw different conclusions:

"If the crisis revealed the incapacity of the bourgeoisie any longer to control the modern productive forces, the conversion of the great organisations for production and communication into joint-stock companies and state property shows that for this purpose the

bourgeoisie can be dispensed with. All the social functions of the capitalists are now carried out by salaried employees. *The capitalist has no longer any social activity save the pocketing of revenues, the clipping of coupons and gambling on the stock exchange, where the different capitalists fleece each other of their capital.* just as at first the capitalist mode of production displaced the workers, so now it displaces the capitalists, relegating them, just as it did the workers, to the superfluous population, even if in the first instance not to the industrial reserve army.

"But neither the conversion into joint-stock companies nor into state property

deprives the productive forces of their character as capital. In the case of joint-stock companies this is obvious. And the modern state, too, is only the organisation with which bourgeois society provides itself in order to maintain the general external conditions *of the capitalist mode of production against encroachments either by the workers or by individual capitalists.* The modern state, whatever its form, is an essentially capitalist machine; it is the state of the capitalists, the ideal collective body of all capitalists. The more productive forces it takes over as its property, the more it becomes the real collective body of all the capitalists, the more citizens it exploits. *The workers*

remain wage earners, proletarians. The capitalist relationship is not abolished; it is rather pushed to an extreme. But at this extreme it is transformed into its opposite. State ownership of the productive forces is not the solution of the conflict, but it contains within itself the formal means, the key to the solution." (Engels, *Anti-Dühring*, p. 330, my emphasis.)

Surely the idea in the foregoing is clear? Insofar as the forces of production have now developed beyond the framework of capitalist relations (that is, the germ of the contradiction has now grown into a malignant disease of the social system, reflecting itself through crises) the

capitalists are compelled to "socialise" huge means of production--first, through joint-stock companies and then later, even to "stify" sections of the productive forces. The same idea was brought out sharply by Lenin in his book Imperialism, where he showed that the development of monopolies and socialisation of labour were in fact elements of the new social system within the old.

Once the productive forces had reached this stage, capitalism had already accomplished its historic mission, and because of this the bourgeoisie became more and more superfluous. From being necessary for the development of the

forces of production, they now become superfluous parasites and coupon-clippers. In the same way, and for the same reason, the feudal lords also became parasites once their historic mission had been fulfilled. This is merely an indication of the ripeness of capitalism for the social revolution. Writing in *Capital*, Marx had shown that credit and joint-stock companies were already an indication that the productive forces had outgrown private ownership. Engels shows how the development of production compelled even the capitalists themselves to recognise that the productive forces had a social and not an individual character.

Quantity into quality

Although at a certain stage the capitalist state is constrained to take over this or that sector of the economy, the productive forces do not lose their character as capital. *But the whole essence of the problem is that where we have complete stratification, quantity changes into quality capitalism changes into its opposite.* This is manifested in the growing tendency towards the concentration of capital, the formation, first of joint stock companies, and later of giant monopolies and multinationals. At a certain stage, there is also a growing tendency towards statisation (nationalisation) of certain

sectors of the economy. Of course, this *state monopoly capitalism*, to give it its right name, has nothing to do with socialism. Here the nationalised industries are only the handmaiden of the private sector, providing the private monopolies with cheap coal, gas, electricity, rail freight and postage, in addition to taking on all the expense of educating the workers' children to provide skilled labourers, taking care of the old and sick, sewers and other "non-profitable" activities that are nonetheless essential to the capitalists, and which they do not pay for.

How otherwise explain the statement of Engels, "But at this extreme it [the

capitalist relationship] is transformed into its opposite. State ownership of the productive forces is not the solution of the conflict, but it contains within itself the formal means, the key to the solution"?

If one takes into account the fact that this follows the previously quoted passage in the same section where Engels defines capitalist mode of production (as social production, individual appropriation), we must conclude that Engels hopelessly contradicts himself, if we accept Cliff's conclusions. But from the context, Engels' meaning is clear. He explains that the solution to the contradictions of capitalism lies in the recognition of the

social nature of the modern productive forces: "In bringing, therefore, the mode of production, appropriation and exchange into accord with the social character of the means of production." But he shows that this "recognition" precisely consists in asserting conscious organisation and planning, in place of the blind play of forces of the market on the basis of individual ownership. This, however, cannot be done at one stroke. Only "gradually" can social control be fully asserted. The transitional form to this is state ownership. But complete state ownership does not abolish all the features of capitalism immediately, otherwise there would be social ownership, i.e. socialism would be

introduced immediately.

But in the same way as we have new elements within the old in the development of society, so in the transitional society we still have the old within the new. Complete stratification marks the extreme limit of capital. The capitalist relation is transformed into its opposite. The elements of the new society which were growing up within the old, now become dominant.

What causes the conflict within capitalism is the fact that the laws manifest themselves blindly. But once the whole of industry is nationalised, for the first time control and planning can be

consciously asserted by the producers. Control and planning will, however, in the first stages, take place within given limits. These limits will be determined by the level of technique when the new social order takes over. Society cannot step from the "realm of necessity" into the "realm of freedom" overnight. Only on the basis of a limitless development of the productive forces will freedom *in its fullest sense* become a reality. The stage will be reached in which the domination over persons by things and the oppression of man by man will be replaced by the administration of things by conscious human beings.

Before such a stage is reached society

must pass through the transitional period. But in so far as immediately after private ownership has been abolished and control and planning become a possibility for the first time, then in one sense the realm of necessity has already been left behind. However, while it is now possible to speak of "freedom", this is so *only in the sense that necessity has become consciously recognised*. At this stage (the transitional period), Engels pointed out:

"The social character of the means of production and of the products É is quite consciously asserted by the producers, and is transformed from a cause of disorder and periodic collapse into the

most powerful level of production itself.

"The forces operating in society work exactly like the forces operating in nature; blindly, violently, destructively, so long as we do not understand them and fail to take them into account. But when once we have recognised them and understand how they work, their direction and their effects, the gradual subjection of them to our will and the use of them for the attainment of our aims depends entirely upon ourselves. And this is quite especially true of the mighty productive forces of the present day." (Engels, *Anti-Dühring*, p. 331.)

Engels, quoting Hegel, further summed

up the relationship between freedom, necessity and the transitional period, thus: "Freedom is the realisation of necessity. 'Necessity is blind only insofar as it is not understood'." (Ibid., p. 136.)

Marx and Engels only touched on the contradictory character of the transitional period. They left its elaboration to succeeding generations, laying down only the general laws. But clearly they showed the need for state ownership as the necessary transitional state for the development of the productive forces. Engels explained the need for the state during this stage for two reasons:

1) To take measures against the old ruling class;

2) Because the transitional society cannot immediately guarantee enough for all.

The logic of Tony Cliff's thesis is that in the transitional society there can be no vestiges of capitalism in the internal economy. While Cliff may argue vehemently that he agrees with the need for the state in the transitional period, it is evident that he has not thought out the economic reasons which make the state necessary and what character the economy assumes in this period. Before socialism can be introduced there must

necessarily be a tremendous development of the forces of production, far beyond those reached under capitalism.

As Trotsky explained, even in America there is still not enough production to guarantee the immediate introduction of socialism. *Therefore, there will still have to be an intervening period in which capitalist laws will operate in a modified form.* Of course, in America, this would be of short duration. But it will not be possible to skip this stage entirely. What are the capitalist laws which will remain? Cliff not only fails to answer this; he falls into the trap of "bureaucratic collectivism" by failing to

recognise that money, labour power, the existence of the working class, surplus value, etc., *are all survivals of the old capitalist system* which were carried over even under the regime of Lenin. It is impossible to introduce immediately direct social production and distribution. Particularly was this the case in backward Russia.

Writing to Conrad Schmidt in 1890, Engels gave a magnificent example of the thoroughly materialist approach to the problem of the economics of the transition from capitalism to socialism. He wrote:

"There has been a discussion in the

Volkstribune about the division of products in the future society, whether this will take place according to the amount of work done or otherwise. The question has been approached very 'materialistically,' in opposition to certain idealistic forms of phraseology about justice. But strangely enough it has never struck anyone that, after all, the method of division essentially depends on *how much* there is to divide, and this must surely change with progress of production and social organisation, so that the method of division may also change. But to everyone who took part in the discussion 'socialist society' appeared not as involved in continuous change and progress but as a stable

affair fixed once and for all which must, therefore, have its method of division fixed once and for all. All one can reasonably do, however, is (1) to try and discover the method of division to be used *at the beginning*, and (2) to try and find *the general tendency* in which the further development will proceed. But about this I do not find a single word in the whole debate." (Marx and Engels, Selected Correspondence, p. 393.)

Writing in Anti-Dühring, Engels pointed out: "*Direct social production and direct distribution* exclude all exchange of commodities, therefore also the transformation of the product into commodities (at any rate within the

community) and consequently also their transformation into values." (Engels, *Anti-Dühring*, p. 366, my emphasis.)

But only socialism could realise this. In the transitional period, distribution still remains *indirect*--only gradually does society gain complete control over the product--and therefore the production of commodities and of exchange between the different sectors of production must necessarily take place. The law of value applies and *must apply until there is direct access to the product by the producers*. This can only take place on the basis of complete control of social production and thus direct social distribution, in which each individual

takes whatever he or she requires. Marx deals with this problem in passing in Volume III of Capital, where he is discussing the problem of capitalist production as a whole:

"Accordingly a portion of the profit, of surplus value and of the surplus product, in which only newly added labour is represented, so far as its value is concerned, serves as an insurance fund. This is also the only portion of the surplus-value and surplus product and thus of surplus-labour, which would continue to exist, outside of that portion which serves for accumulation and for expansion of the process of reproduction, *even after the abolition of*

the capitalist system and the fact that all new capital arises out of profit, rent, or other forms of revenue, that is, out of surplus labour" (Marx, Capital, Vol. 3, pp. 847-8, my emphasis.)

In this chapter Marx is dealing, in an analysis of the process of production, in his own words, with "the value of the total annual product of labour [which] is under discussion, in other words, the value of the product of the total social capital".

Repeating this in the same chapter, in answer to Storch, one of the bourgeois economists, he declared: "In the first place, it is a false abstraction to regard a

nation, whose mode of production is based upon value or otherwise *capitalistically organised*, as an aggregate body working merely for the satisfaction of the national wants.

"In the second place, after the abolition of the capitalist mode of production, but with social production still in vogue, the *determination of value* continues to prevail in such a way that the regulation of the labour time and the distribution of the social labour among the various groups of production also the *keeping of accounts* in connection with this, becomes *more essential than ever*."
(Ibid., Vol. 3, p. 851, my emphasis.)

Money and the state

This is in line with the scattered remarks made by Marx and Engels at various times which deal with the transitional period. Engels explains that under capitalism joint-stock companies and state ownership are beyond the framework, properly speaking, of capitalist production. Elsewhere, Marx pointed out that credit also extended capitalist production beyond its limits *even before the transition to a workers' state*. And, as we have shown in the above passages (and also in the Critique of the Gotha Programme,) Marx considered that bourgeois law, bourgeois distribution and in that sense a

bourgeois state still continue to exist during the transition from capitalism to socialism. Discussing the role of money and the state in the transitional period, Trotsky developed this idea even further:

"ÉThese two problems, *state and money*, have a number of traits in common, for they both reduce themselves in the last analysis to the problem of problems: productivity of labour. State compulsion like money compulsion is an inheritance from the class society, which is incapable of defining the relations of man to man except in the form of fetishes, churchly or secular, after appointing to defend

them the most alarming of all fetishes, the state, with a great knife between its teeth. In a communist society, the state and money will disappear. Their gradual dying away ought consequently to begin under socialism only at that historical moment when the state turns into a semi-state, and money begins to lose its magic power. This will mean that socialism, having freed itself from capitalist fetishes, is beginning to create a more lucid, free and worthy relation among them. Such characteristically anarchist demands as the 'abolition' of money, 'abolition' of wages, or 'liquidation' of the state and family possess interest merely as models of mechanical thinking.

"Money cannot be arbitrarily 'abolished,' nor the state and the old family 'liquidated.' They have to exhaust their historic mission, evaporate, and fall away. The death-blow to money fetishism will be struck only upon that stage when the steady growth of social wealth has made us bipeds forget our miserly attitude toward every excess minute of labour, and our humiliating fear about the size of our ration. Having lost its ability to bring happiness or trample men in the dust, money will turn into mere book-keeping receipts for the conveniences of statisticians and for planning purposes. In the still more distant future, probably these receipts will not be needed. But we can leave

this question entirely to posterity, who will be more intelligent than we are.

"The nationalisation of the means of production and credit, the co-operativising or state-ising of internal trade, the monopoly of foreign trade, the collectivisation of agriculture, the law on inheritance--set strict limits upon the personal accumulation of money and hinder its conversion into private capital (usurious, commercial and industrial). These functions of money, however, bound up as they are with exploitation, are not liquidated at the beginning of a proletarian revolution, but in a modified form are transferred to the state, the universal merchant, creditor and

industrialist. At the same time the more elementary functions of money, as *measure of value, means of exchange and medium of payment*, are not only preserved, but acquire a broader field of action than they had under capitalism." (Trotsky, *The Revolution Betrayed*, pp. 65-6, emphasis in original.)

Before private ownership of the means of production is abolished, the market is dominant over man who is helpless before the laws of the economy he himself has created. After its abolition, however, he begins for the first time to exercise conscious control. But consciousness here merely means the *recognition of law, not the abolition of*

law. Herein lies the peculiarity of the transitional period--that because man now understands the nature of the productive forces to that extent he can exercise control over them. *But he cannot transcend the limits of the given development of the productive forces.* However, now that the productive forces have been released from the fetters of individual capitalist production, they can be developed and expanded at such a pace that the material basis of society can be raised to new heights. In this way the material conditions can be laid to proceed to a classless society, where the intermediate form of state ownership is transformed into real social ownership.

Once this stage (socialism) has been reached, there would be real social production and distribution for the first time. Money, the law of value and the state all wither away, because they would no longer be necessary. In other words, all the forces of constraint which are a necessary reflection of the limited nature of technique and the development of production at a given stage, now disappear together with the of the division of labour. However, this does not happen in 24 hours. The prior condition is a colossal raising of living standards and the cultural level of society. Until such time, all the features referred to above--capitalist features carried over from the old capitalist

society--will linger on in the transitional period.

The position of Cliff, Shachtman and all others who have revised Trotsky's position on Russia, remains completely in the dark concerning the transitional period. And for a very good reason. If one considers the theory of the transitional stage in the light of the Russian experience, there is one of only two conclusions: either Russia was still in a transitional stage, which took on horrible distortions, or Russia had never been a workers' state from the very beginning. There are no other alternatives.

In his book on Russia, Cliff cites a quotation from *The Revolution Betrayed*:

"The nationalisation of the land, the means of industrial production, transport and exchange, together with the monopoly of foreign trade, constitutes the basis of the Soviet social structure. Through these relations, established by the proletarian revolution, the nature of the Soviet Union as a proletarian state is for us basically defined." (Trotsky, *The Revolution Betrayed*, p. 248.)

One of Cliff's conclusions is that, in this case, "neither the Paris Commune nor the Bolshevik dictatorship were workers'

states as the former did not satisfy the means of production at all, and the latter did not do so for some time". (Cliff, *Russia: a Marxist Analysis*, p. 133.)

Here we see that Cliff bases his case on whether or not the working class has control over the state machine. But here let us examine Cliff's method of separating the economic basis of a workers' state from the question of workers' control of the state machine.

For a temporary period, for shorter or longer duration, it would be possible for the proletariat to take power politically while not immediately proceeding to transform the existing property relations. This was the position in Russia where

the proletariat took power in October 1917, but did not undertake major nationalisation until it was forced upon them in 1918. But if the proletariat did not proceed to carry through the economic transformation, then inevitably the proletarian regime would be doomed to collapse. The laws of the economy will always break through in the end. Either the proletariat would proceed to nationalise the entire economy, or inevitably the capitalist system would emerge predominant. Cliff fails to show how the basic form of Russian economy would differ under a healthy workers' state.

His case is no better based upon the

experience of the Paris Commune and the first stages of the Russian Revolution. The same would apply to them as aforementioned. These regimes were a transition to the complete economic rule of the proletariat. Such transitions are more or less inevitable in the change over from one society to another. Both in the case of the Commune and in the case of the Russian Revolution, they could not last for long if the proletariat did not go on to nationalise industry. Has Cliff forgotten that one of the main lessons taught by Marx and assiduously learned by the Bolsheviks, was the failure of the French proletariat to nationalise the Bank of France? So we see a state can be a

proletarian state on the basis of political power, or it can be a proletarian state on the basis of the economy; or it can be a transition to *both* of these as we will show.

The same laws apply to the capitalist counter-revolution. Trotsky correctly argued that in the event of a bourgeois counter-revolution in Russia, the bourgeoisie might, for a time, even retain state ownership before breaking it up and handing it to private ownership. To a scholastic, it would appear then that you can have a workers' state and a bourgeois state on the basis of state ownership, or you can have a workers' state or a bourgeois state on the basis of

private ownership. However, it is obvious that one could only arrive at this mode of reasoning if one failed to take into consideration the movement of society in one direction or another.

All sorts of unforeseen relationships can develop out of the class structure of society and the state. To take the example of Russia. In 1917 up to the capture of control of the soviets by the Bolsheviks, we had the situation as sketched by Trotsky in the History of the Russian Revolution, where, because of the Menshevik majority, in a certain sense the bourgeoisie ruled through the soviets--the organs of workers' rule *par excellence*. If we accept Cliff's schema,

this could this not possibly happen. Of course, had the Bolsheviks not taken power, the bourgeoisie, having used the Mensheviks and through them the soviets in the transitional period, would have abolished the soviets as they did in Germany after 1918.

In the transition from one society to another, it is clear that there is not an unbridgeable gulf. It is not a dialectical method to think in finished categories; "workers' state" or "capitalist state" and the devil take any transition or motion between the two. It is clear that when Marx spoke of the smashing of the old state form in relation to the Commune, he took it for granted that the economy

would be transformed at a greater or lesser pace and would come into consonance with the political forms.

Did the law of value operate within the Soviet economy?

Marxist economics explains that the law of value underlies the basis of all commodity production. It reaches its height under capitalism, where commodity production is universal. The basis of this law is that the value of commodities are determined by the amount of socially necessary labour contained in them ("congealed labour time"). This value, in turn, is expressed through the exchange of commodities.

This law regulates the capitalist system by changes in demand and supply through competition. Even under a workers' state--a transitional regime between capitalism and socialism--commodities would still of course be produced and so the *law of value would also continue to operate in a modified form.*

Cliff attempted to use this law to argue that there could be crises (booms and slumps) in the USSR. However, his whole approach on the law of value was unsound from a Marxist point of view. In the most involved and peculiar manner he argued that the law of value did not apply within the economy of the Soviet

Union, but only in its relations to world capitalism. He imagined he had found the basis of the law of value, not in Russian society, but in the world capitalist environment.

"Hence if one examines the relations within the Russian economy, one is bound to conclude that the source of the law of value, as the motor and regulator of production, is not to be found in it," says Cliff. (Cliff, *Russia: a Marxist Analysis*, p. 159.) And he concludes: "The law of value is thus seen to be the arbiter of the Russian economic structure as soon as it is seen in the concrete historical situation today--the anarchic world market." (Ibid., p. 161.)

According to the Marxist view, it is in exchange that the law of value manifests itself. And this holds true for all forms of society. For example, the way in which the break-up of primitive communism took place was through the exchange and barter between different primitive communities. This led to the development of private property. In the same way, in slave society the products of the slave became commodities when they were exchanged. Through this development, the "commodity of commodities"--money--appeared already in antiquity, although it only reached its full expression under capitalism, a society in which commodity production is not the

exception, but the rule. Thus, even in antiquity, the law of value existed, leading to that enslavement of the producer by the product and resulting in the end in the destruction of the old slave society, undermined by the contradictions caused by the money economy.

Under feudalism, the exchange of the surplus produced by the self-sufficient lords and barons in their "natural economy" became commodities, and in fact, was the starting point of capitalist development through the rise of merchant capital. Therefore, if it was in exchange only between Russia and the outside world that the law of value

manifested itself, as Cliff asserts, all that this would mean is that the Russian surplus was exchanged on the basis of the law of value.

However, when Cliff first put forward this argument, the participation of the Soviet Union on the world market, in comparison with its total production, was extremely small. Cliff unavoidably realised the weakness of this point.

Thus, in an amazing feat of mental acrobatics, he found that the law of value manifested itself *not in exchange, but in competition*. Even this would not be so bad if he had argued that this was competition on the world market on classical capitalist lines. But he could

not argue this because it was at variance with the facts. So he introduced a new conception. He found his "competition" and his "law of value" in the production of--armaments! "Because international competition takes mainly a military form, the law of value expresses itself in its opposite, viz., a striving after use-values" But as competition with other countries is mainly military, the state as *consumer* is interested in certain specific use values, such as tanks, aeroplanes, and so on." (Cliff, Russia: a Marxist Analysis, p.160.) This most peculiar line of argument, far from solving anything, merely lands us in ever more intractable contradictions.

The pressure of world capitalism forced the Soviet Union to devote an enormous proportion of the national income on armaments production and defence on the one hand, and the greatest capital construction in history in proportion to the national income for the needs of defence, on the other. Here Cliff claimed to have found his law of value. The law of value manifested itself in the armaments competition between two social systems! This can only be described as a concession to Shachtman's theory of bureaucratic collectivism. If this theory were correct, we would be in the presence of an entirely new economy never before seen in history or foreseen by the Marxists or

anyone else. This piece of nonsense in turn led Cliff to capitulate to the bourgeois arguments of Keynesianism in the West, under the fig-leaf of the so-called theory of the permanent arms economy. Thus, one false theory begets another in an infinite progression of muddle.

Here again we would point out the dangers of indiscriminate use of quotations and amalgamations of ideas to form a "thesis". In reality Cliff's book is a hybrid of the theories of bureaucratic collectivism and state capitalism. If this section of Cliff's book means anything at all, it leads straight to the road of Shachtman's bureaucratic

collectivism.

The whole idea is partially borrowed from Rudolf Hilferding, the German Social Democratic leader, who consistently argued that in Russia and Nazi Germany the law of value did not apply and that these were entirely new social formations. And it is also based on a misunderstanding of some passages in Bukharin's *Imperialism and the World Economy*. Here Bukharin argued on the basis of "state capitalism"--the organic union of trusts with finance capital--and in which he, together with Lenin, brilliantly prophesied a form of dictatorship which was later realised in Fascism. This concept had nothing to do

with state ownership of the means of production, but was based on the fusion of finance capital with the state. In fact, Bukharin chose as one of his classic examples of such state monopoly capitalismÉ America.

Cliff's argument on armaments partakes of a mystical and not an economic category. At best, even if we accepted it as correct, it would only explain why Russian produced armaments, but not how or on what economic basis the armaments were produced. Even if the USSR had been a healthy workers' state, in imperialist encirclement, there would be the absolute necessity to produce armaments and compete with the arms

technique and production of the rival capitalist systems. But this argument about armaments was entirely false. The greater part of production in the USSR was not armaments but means of production. Again, this would explain why the bureaucracy was attempting to accumulate the means of production at a frantic speed, but it explained nothing about the system of production itself. It is true that in a healthy workers' state the accumulation of arms would be smaller for social reasons (internationalist and revolutionary policy towards workers in other lands), but it would nevertheless have to take place, under the pressure of world imperialism.

A quicker or slower tempo in the development of the means of production does not necessarily tell us the method by which these are produced. Cliff says that the bureaucracy was developing the means of production under the pressure of world imperialism. Good. But all this tells us again is why the pace is fast. From the point of view of even classical bourgeois political economy, Cliff's argument was a pure evasion. It merely assumed what had to be proved.

Not for nothing did Trotsky point out in *The Revolution Betrayed* that the whole progressive content of the activity of the Stalinist bureaucracy and its preoccupation, was the raising of the

productivity of labour and the defence of the country. We have seen that if the law of value only applied because of the existence of capitalism in world economy, *then it would only apply to those products exchanged on the world market.* But Cliff argues two contradictory theses in relation to the Soviet economy. On the one hand he says:

"This does not mean that the price system in Russia is arbitrary, dependent on the whim of the bureaucracy. The basis of price here too is the costs of production. If price is to be used as a transmission belt through which the bureaucracy directs

production as a whole, it must fit its purpose, *and as nearly as possible reflect the real costs, that is, the socially necessary labour absorbed in the different products* É" (Cliff, Russia: A Marxist Analysis, p. 156, my emphasis.)

Three pages later, Cliff asserts *the central point* he intends to prove:

"ÉIf one examines the relations within the Russian economy, one is bound to conclude that the source of the law of valueÉ is not to be found in it." (Ibid., p. 159.)

In his first quotation, *Cliff shows precisely the way in which the law of*

value manifested itself internally in Russian society under Stalinism. Even if one abstracts from the world market, leaving aside the interacting effect which it undoubtedly had, when Cliff says that "the real costs, that is the socially necessary labour absorbed in the different products" must reflect the real prices, he is saying that the same law applied in the USSR as in capitalist society. The difference is that, whereas in capitalist society it manifests itself blindly by the laws of the market, in the Soviet economy conscious activity played an important role.

In this connection the second quotation crushingly refutes Cliff's argument that

capitalism existed in the USSR under these given conditions because the law of value did not operate blindly, but was consciously harnessed. In capitalist society, the law of value, as he says, manifests itself through the "autonomy of economic activity", i.e., it is the market which dominates. The first quotation shows clearly that the market--and this is the point--was, within given limits, controlled consciously *and therefore it was not capitalism as understood by Marxists.*

Previously Cliff said that the law of value did not operate in the USSR. Here he is showing precisely how it did operate: not on the lines of classical

capitalism, but in a transitional society between capitalism and socialism. We see therefore, that Cliff claimed that Stalinist Russia was a capitalist society- -yet he found the source of the basic law of capitalist production outside of Russia. Now, in any capitalist society in which the reserve fund is in the hands of the capitalist class, as Engels explains:

"ÉIf this production and reserve fund does in fact exist in the hands of the capitalist class, if it has in fact arisen through the accumulation of profit É then it necessarily consists of the accumulated surplus of the product of labour handed over to the capitalist class by the working class, over and

above the sum of wages paid to the working class by the capitalist class. In this case, however, it is not wages that determine value, but the quantity of labour; in this case the working class hands over to the capitalist class in the product of labour a greater quantity of value than it receives from it in the shape of wages; and then the profit on capital like all other forms of appropriation without payment of the labour product of others, is explained as a simple component part of the surplus value discovered by Marx." (Engels, *Anti-Dühring*, Progress Publishers, Moscow 1969, p. 233.)

This indicates that where there is wage

labour, where there is the accumulation of capital, *the law of value must apply*, no matter in how complicated a form it may manifest itself. Further on, Engels explains in answer to Dühring's five kinds of value, and the "natural costs of production", that in Capital Marx is dealing with the value of commodities and "in the whole section of which deals with value there is not even the slightest indication of whether or to what extent Marx considers the theory of value of commodities applicable to other forms of society". In this sense it is clear that in the transitional society also: "Value itself is nothing more than the expression of the socially necessary labour materialised in an object."

Here it is only necessary to ask: what determined the value of machines, consumer goods, etc., produced in the Soviet Union? Was it arbitrary? What determined the calculations of the bureaucracy? What was it that they measured in price? What determined wages? Were wages payments for labour power? What determined money? What determined the profits of enterprises? Was there capital? Was the division of labour abolished? Cliff gives two contradictory answers to these questions. On the one hand he agrees that it was the law of value on which all calculations and the movement of Russian society developed. On the other, he finds the law of value only operating

as the result of pressure from the outside world, although how this occurs he does not explain in any serious way.

The meaning of transition

The surprising thing is that Cliff himself points out that the bureaucracy did not and could not determine prices arbitrarily. Its inability to determine the amount of money in circulation was not arbitrary either. And this has been so in every society where money (let us remember, the commodity of commodities) has played a role. Engels, dealing with this problem, pertinently asked Dühring:

"If the sword [no matter who wields it--

bureaucrat, capitalist, or government] has the magic economic power ascribed to it by Herr Dühring, why is it that no government has been able to succeed in permanently compelling bad money to have the 'distribution value' of good money, or assignats the 'distribution value' of gold?" (Engels, Anti-Dühring, p. 228.)

In *The Revolution Betrayed*, Trotsky explains this problem very clearly. He shows that the economic categories peculiar to capitalism still remain in the transitional society between capitalism and socialism. Here is the key: the laws remain, but are *modified*. Some of the laws of capitalism apply and some are

abrogated. For example, Trotsky argues:

"The role of money in Soviet economy is not only unfinished but, as we have said, still has a long growth ahead. The transitional epoch between capitalism and socialism taken as a whole does not mean a cutting down of trade but, on the contrary, its extraordinary extension. All branches of industry transform themselves and grow. New ones continually arise, and all are compelled to define their relations to one another both quantitatively and qualitatively. The liquidation of the consummatory peasant economy, and at the same time of the shut-in family life, means a transfer to the sphere of social interchange, and

ipso facto money circulation, of all the labour energy which was formerly expended within the limits of the peasant's yard, or within the walls of his private dwelling. *All products and services begin for the first time in history to be exchanged for one another.*" (Trotsky, *The Revolution Betrayed*, NY, 1972, p. 67, my emphasis.)

What is the key to this enigma? It can only be found in the fact that this was a transitional society. *The state could now regulate, not arbitrarily, however, but only within the confines of the law of value.* Any attempt to violate and pass beyond the strict limits set by the

development of the productive forces themselves, immediately results in the reassertion of the domination of production over producer. This is what Stalin had to discover in relation to price and money when the Russian economy was inflicted with a crisis of inflation which completely distorted and disrupted the plan. The law of value was not abolished, but was modified.

One has only to pose the problem in this way to see the answer. A serious economic analysis must lead us to conclude that *this was a transitional society in which some of the laws peculiar to socialism applied, and some peculiar to capitalism.* That is after all,

the meaning of *transition*. Although Cliff does not recognise this, in fact he admits it, when he says that the bureaucracy could consciously regulate (though within limits) the rate of investment, the proportions between means of production and means of consumption, the price of articles of consumption. That is to say, *he is proving that certain of the basic laws of capitalism did not apply.*

Was there a transformation of money into capital in Russia? In polemicising against Stalin, Trotsky answers this by showing that the investments were made on the basis of a plan, but nevertheless, what was *invested* was the surplus value

produced by the workers. Here Trotsky shows the basic fallacy in Stalin's idea that the state could decide and regulate without reference to the economy. We might add that Stalin never denied that there was commodity production in Russia.

In spite of the fact that there was only one "employer" in Stalinist Russia, nevertheless, the state bought labour power. It is true that because of the full employment which would normally place the seller of the commodity labour power in a strong position, the state imposed various restrictions on the free sale of labour power. In just the same way, as in a period of full employment,

under Fascism (or even in "democratic" Britain, if it comes to that) the employers get the state to intervene to offset the advantages which accrue from this situation for the sale of labour power. But only someone hopelessly lost in abstractions could argue that this negated the labour theory of value.

It is true that in the classical capitalist economy there was free sale of labour power. However, already in Marx's Capital there is a whole section on the ferocious laws to hold down wages in England, after the Black Death had so reduced the population that the nascent proletarians were in a favourable position to demand higher wages. Did

this mean that the basic Marxist laws did not apply? On the contrary. In the three volumes of Capital, Marx was dealing with a "pure" capitalism which never existed, from which he extracted the fundamental laws. This represents the "ideal norm". But in practice, reality will always differ from the norm in one way or another.

The fact that in particular cases there may be a distortion of this or that element will not alter the basic laws. Nazi Germany, despite many perversions, remained fundamentally a system of capitalist economy, because the economy was dominated by production on the basis of private

property and commodity production. One had only to compare the slave labour in Stalin's camps with the proletariat in the Russian cities to see the difference. The one was a slave based on slave labour, the other a wage slave. The one sold his labour power, the other was purely an instrument of labour himself. There is the fundamental distinction.

It is not at all accidental that the money used by the state must necessarily have the same basis as money in capitalist society. Not accidentally, as Trotsky explained, *the only real money in Russia* (or in any transitional economy--even an ideal workers' state) *had to be*

based on gold. The rouble devaluations in Stalin's Russia were in themselves a striking confirmation of the fact that the law of money circulation, and thus of the circulation of commodities, maintained its validity in the USSR. And not only in the USSR. In any transitional economy the economic categories of money, value, surplus value, etc., must necessarily continue as elements of the old society within the new society.

Cliff argues that "the most important source of state income was the turn-over tax, which is an indirect tax". (Cliff, *Russia: A Marxist Analysis*, p. 47.) However, the turnover tax, in an indirect way, proves that the law of value *did*

apply in Stalinist Russia. Cliff shows how the turnover tax applied in Russia. But he does not see that this tax must have been based on something. No matter how much the state might add to the price by placing an additional tax, the price had to be based on something. What else could this be but the value of the product, the socially necessary labour time contained in it? Or do we think that the state simply determined such things on an arbitrary basis, that is, by administrative *fiat*, backed by force. But this is an utterly childish argument, which was already demolished in the pages of Anti-Dühring. Engels ridiculed Dühring's "tax by the sword", out of which the surplus was supposedly

extracted, when he wrote:

"Or, on the other hand, the alleged tax surcharges represent a real sum of value, namely that produced by the labouring, value-producing class but appropriated by the monopolist class, and then this sum of value consists merely of unpaid labour; in this event, in spite of the man with the sword in his hand, *in spite of the alleged tax surcharges*, we come once again to the Marxian theory of surplus value." (Engels, *Anti-Dühring*, p. 226.)

The turn-over tax in Russia and the other manipulations of the bureaucracy did not in any way invalidate the law of value.

What is the essence of the law of value? That the value of the product is determined by the average amount of socially necessary labour time. That must be the point of departure. *It necessarily manifests itself through exchange.* Marx devoted a great part of his first volume of Capital to explaining the historical development of the commodity form from accidental exchange among savages through its transitions, till we arrive at commodity production *par excellence*, capitalist production.

Even in a classical capitalist economy the law of value does not reveal itself directly. As is known, commodities are

sold above or below their value. Only accidentally would a commodity be sold at its actual value. In the third volume of Capital Marx explains the price of production of commodities. That is to say, that the capitalist only gets the cost of production of his commodity plus the average rate of profit. Thus some capitalists will be paid below the actual rate, others above. Because of the different organic composition of different capitals, only in this complicated fashion does the law of value reveal itself. This is effected, of course, through competition.

Monopoly is merely a more complicated development of the law of value.

Because of the controlling position held by some monopolies, they can extort a price above the value of the commodities, but only by other commodities being sold below their value. The total values produced by society would still amount to the same. To the degree that socialism is developed so the law of value would "wither away". And Engels, having had a good laugh at Dühring's expense, ends by pointing out that under socialism "people will be able to manage everything very simply without the intervention of the famous 'value'."

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