



HOW CAPITALISM HAS BEEN RESTORED IN THE SOVIET UNION

AND WHAT THIS MEANS FOR THE WORLD STRUGGLE

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INTRODUCTION

It was Lenin who first used the term "social-imperialism" to mean "socialism in words, imperialism in deeds, the growth of opportunism into imperialism."

Lenin coined this phrase to describe those "socialists" of his age whose political opportunism led to brazen support for the European imperialist powers and to siding with their own imperialist ruling classes in WW I. Today Marxist-Leninists use the same expression to describe those "communists" whose political opportunism has transformed the world's first socialist country into a new imperialist state.

What kind of country is the present-day Soviet Union and what role does it play in today's world? Some, including the so-called "Communist" Party, U.S.A., still try to picture the Soviet Union as the great rear area of world revolution, backbone of the struggle for national liberation, leader of the socialist camp and "beacon to all progressive mankind," as, indeed, it was for nearly 40 years under Lenin and Stalin. But true Marxist-Leninists and ever-increasing numbers of progressive people throughout the world have come to see that the Soviet Union is one of two imperialist superpowers who collaborate to oppress the world's peoples even as they contend in uncontrolled rivalry for world hegemony.

At the close of World War II, the U.S. stood alone at the top of the imperialist dung heap. The old European powers and Japan lay crippled by war, and "the American century" seemed at hand. The only real rival to U.S. imperialism was the Soviet Union, which had borne the lion's share of the fighting against the Nazis. Battered but still strong and proud, the Soviet people held high the great banner of socialism. They continued to stand up to imperialism even as the U.S. assumed its new role as number one world cop. But with the takeover of the Soviet Communist Party by Khrushchev and his clique in 1956, the Soviet Union began to take a different course; its challenge to the U.S. became one of a very different sort.

Today, having suffered military defeat in Indochina, being attacked by the world's people on all sides, and facing an economic crisis of severe proportions, U.S. imperialism no longer is the sole top dog. The age of "Pax Americana" has developed into an age of renewed imperialist

rivalry. But this time the main imperialist rival to the U.S. is not Great Britain, France, Germany or Japan, but the Soviet Union. Even as U.S. strength has declined and U.S. policies are exposed, Soviet social-imperialism has been on the rise, spreading its power and influence around the globe at a rapid rate. Today the Mediterranean Sea, since WW II an American lake, is patrolled by a mammoth Soviet fleet. Moreover, in 1973 Soviet ships sailed through the Taiwan Straits for the first time, an obvious insult to the Chinese people, but also an open challenge to declining U. S. influence in Asia.

Soviet social-imperialism is more dangerous than U.S. imperialism in one very important respect. The U.S. imperialists with their obscene and hypocritical talk of "freedom" and "democracy" are more and more exposed. But the Soviet Union speaks words of "peace" and "socialism" and while reversing the Russian revolution and restoring capitalism in the world's first socialist state, the new Soviet rulers shamelessly use its glorious history as a cover for their betrayal and their imperialist actions.

But, as Lenin said, we must look beyond words to deeds:

—In words the Soviet Union stands for peace and "international detente", in deeds the Soviets have assembled the largest missile force in the world and, with the U.S. imperialists, have opened a new and more dangerous chapter in the arms race.

—In words the Soviet Union stands for support of national liberation struggles. In deeds the Soviet Union tries to suppress or sabotage these movements. For example, the Soviet Union refused to recognize the Royal Government of National Union of Cambodia headed by Prince Norodom Sihanouk for three years, recognizing instead the puppet clique of Lon Nol. And the Soviet state insurance agency, GOSSTRAKH, even went so far as to insure arms shipments to the Lon Nol clique.

—In words the Soviet Union stands for equality among the minority peoples and Republics within the USSR. In deeds, the past 15 years has seen a reversal of earlier equalization, and now progress is being held back compared to Great Russia.

—In words, the Soviet Union stands for building socialism in its own country. In deeds they

have restored capitalism.

—In words the Soviet Union supports the struggle of the Palestinian and other Arab peoples against U.S.-backed Zionism. In deeds the Soviet Union is contending wildly with U.S. imperialism for hegemony in the Middle East even as the two superpowers collude to try and smash the real revolutionary movements of the Palestinian and other Arab peoples. The two superpowers have continually cooked up behind-the-scenes deals designed to perpetuate a state of "no war, no peace" in the Middle East. This is designed to prevent real revolution from interfering with superpower imperialist contention.

—In words the Soviet Union supports the right of nations to self-determination and respects the sovereignty of other countries, yet in 1968 the Soviet Union invaded the sovereign state of Czechoslovakia and in 1971 organized the dismemberment of Pakistan by India, a move which only facilitated the suppression of the revolutionary movement in both these countries.

—In words the Soviet Union stands for unity of the socialist camp, yet in 1960 the Soviet Union viciously pulled out all its technicians and advisers from the People's Republic of China, taking even the blueprints for uncompleted projects, while committing the same sabotage and treachery against Albania. And today 1,200,000 Soviet troops are poised in offensive positions on the Chinese border; 300,000 of these troops militarily occupy the territory of the People's Republic of Mongolia, a nation of just 1.2 million people.

—In words the Soviet Union stands for the rights and interests of the working class, and true democracy for the great majority of society. In deeds, however, the Soviet social-imperialists have imposed fascist rule over the masses of Soviet people and have imprisoned thousands of Soviet citizens who are protesting against this rule.

And finally, in words the Soviet Union supports the struggle of all the world's peoples against U.S. imperialism, but in deeds the Soviet ruling class conspires with U.S. imperialism to suppress revolution and to interfere with the internal affairs of other nations, while at the same time contending with U.S. imperialism for world domination, even attempting to take over and use liberation movements and other revolutionary struggles for this purpose.

All this and more has been recognized by people around the world as a direct product of the rotten opportunism of the Soviet ruling clique.

Like the heads of U.S. imperialism, Brezhnev, Kosygin, etc., are hardly world heroes.

Yet here in the U.S. some people don't understand why such a big deal is made about it. U.S. imperialism is our main enemy, they say; we are not the Czechs.

True, for the American people U.S. imperialism is the system we can and must directly overthrow to achieve socialism here and make our greatest contribution to world revolution. It is a cruel and vicious system which makes life miserable for us and for people the world over. But U.S. imperialism doesn't exist in a vacuum. To defeat U.S. imperialism and aid the defeat of imperialism and reaction everywhere, we, the American people, must understand *all* the forces at work in the world. Our final goal must be the complete abolition of imperialism in all its forms, everywhere it exists.

Within the people's movement in the United States, even among those opposed to the "Communist Party" of the U.S.A., the influence of revisionist ideas is an important block holding back revolutionary struggle. Social pacificism, reliance on the "progressive" politicians of the bourgeoisie, reliance on union leadership, and other bourgeois representatives, all are ideas which keep people from seeing the need for mobilizing the masses of people, under the leadership of the working class and a genuine Marxist-Leninist Communist Party, to make revolution. For those who want to make revolution in the United States, it is essential to understand the roots of revisionism in the class struggle, and to see that revisionism is an international phenomenon. The struggle against revisionism and all forms of opportunism must be a part of making revolution in this country, and is part of the international struggle of the working class to defeat imperialism and all reaction, and to build socialism.

"Who are our friends and who are our enemies?" Mao Tsetung asked and answered this important question for the Chinese people in their great revolutionary struggle. We, too, must answer this correctly. There are some who hold up the Soviet Union as a true friend of the American people and the people of the world. They try to convince us that the interests of the Soviet Union are our interests as well, and that the Soviet Union is leading the worldwide struggle against U.S. imperialism and for peace and socialism. Is this true? We will show in this Red Papers that it most certainly is not.

I. SOME QUESTIONS OF THEORY

1) What do we mean by Capitalism and Imperialism?

Imperialism is not merely a policy or set of policies carried out abroad. As Lenin said, imperialism is the highest stage of capitalism, a system which exploits and oppresses workers and others within its own borders, as well as workers and nations throughout the world. When we call the Soviet Union social-imperialist we mean just that. We're saying that capitalism has been restored, that the proletariat has been politically and economically ripped off and that a new bourgeoisie, an imperialist ruling class, is in command.

People who say that the Soviet Union is still a socialist country usually point to the fact that the factories are still owned by the state and most of the land by the collective farms.* But we cannot simply equate capitalism with the private property of individuals, and socialism with state property.

Capitalist property can also be "collective", like corporations, and even take on the form of state property, like the steel industry in England. Property is capitalist, Marx writes, when it is based on "the right on the part of the capitalist, to appropriate the unpaid labor of others or its product and . . . the impossibility, on the part of the laborer, of appropriating his own product." And state property is socialist only if the state itself is the property of the working class.

Similarly, it is wrong to identify the mere existence of economic planning with socialism. The Soviet Union has not stopped drawing up Five-Year Plans. But are these plans for capitalist or socialist development of the economy?

For instance, in Western Europe, eight countries (including France, Belgium and England) have adopted some kind of long-term national economic planning. However, these plans are drawn up only to insure the profitability of major monopolized industries, and merely reflect market relations and trends. Socialist planning, however, is not based on maximizing profits, but on the all-around development of society accord-

ing to the interests of the people.

Thus, it would be misleading to define capitalism as simply an economic system based on individual private property and regulated by the unrestricted workings of the market. Nor is socialism just a system characterized by state ownership of the means of production and regulated by planning. These traditional dictionary definitions are superficial and inadequate, especially when dealing with state monopoly capitalism.

To tell whether the Soviet Union is socialist or capitalist, we must look beneath the surface and beyond such definitions. We need a firmer understanding of what is really meant by these terms. We will be presenting many facts about the Soviet Union in this book. But to really grasp the significance of these facts, we must operate within a solid theoretical framework. Therefore we must spend some time in briefly summarizing the fundamental principles of Marxist political economy.

According to Engels, political economy can be defined as follows: "Political economy in the widest sense, is the science of the laws governing the production and exchange of the material means of subsistence in human society." While there are general laws governing the development of society in all forms and at all stages, every system of social production—every society—has its own particular laws which distinguish that system from all other social systems.

In examining a social system, Marxists first look at the *relations of production*. This term describes the relationships that groups of people (classes) have to the means of production and to each other in the process of production. The relations of production, together with the level of development of the instruments used in production and of the labor force itself (jointly known as the **forces of production**), determine the nature of a given society.

Initially, the struggle for production in society appears directly as a struggle against nature. In primitive times people were almost powerless against the tremendous forces of nature about whose laws nothing at all was known. Under such circumstances, people lived in small communities where they shared what little they could get by hunting, gathering or herding. At this time

*Technically, the state owns all the land as well, but the collective farms have the right to use it in perpetuity.

the extremely undeveloped level of the productive forces dictated the existence of primitive communal relations of production.

But as production gradually developed, the basis arose for class divisions. According to the Marxist-Leninist economist A. Leontiev, "The exploitation of one class by another—that is what characterizes the different stages of development of class society. The forms of exploitation, however, the methods by means of which one class lives at the expense of another, change with a different stages of development." "Relations of production may be slave, feudal, capitalist or socialist, depending on whether they are producing for their own immediate use or to exchange their product for something else, whether they work in isolation from each other or work together in large groups, and finally on whether they organize production themselves, or simply execute the orders of others, who do not work.

Slavery is the most ancient form of exploitation. Under slavery the exploited class is the property of the exploiters. However, under slavery the growth of wealth is circumscribed within rather narrow limits. Feudalism, which developed out of slavery, was based upon control of the land by a few landlords who thereby managed to dominate and under serfdom, the most severe form of feudalism, virtually own a large mass of peasants. Under both slavery and feudalism *natural production*, production of goods not intended for exchange, prevails. "Only the gradual development of exchange undermines the foundations of these forms of society."³

How is production organized under capitalism? To begin with, in capitalist society, unlike ancient societies, very few people grow their own food, weave their own cloth, or tan hides to make their own shoes. Instead we buy these things from someone else; even the great majority of farmers buy the bulk of their food on the market. And workers in an auto plant can't just drive home the cars they make; they must use the wages they get for making cars to buy cars.

This means that capitalist production is a highly developed form of *commodity production*. A commodity is something that is produced for the sale to someone else, to be exchanged for some other commodity—usually money—and not to be directly used by the person who produces it. For example, if someone sews a quilt and uses it at home, it is not a commodity. But if they sell it to someone else, it is a commodity and is exchanged for another commodity. Commodity production exists under both slavery and feudalism but it does not characterize production under these systems. "Only under capitalism does commodity production, production for sale, become the decisive, the predominant form of production."⁴

But how under commodity production does society determine how many quilts to produce and how many people are needed to produce them? And how is it determined whether to produce quilts at all? Under capitalism the fate of commodities on the market determines this. The blind process which regulates the chaos of commodity production is known as the *law of value*. This law states that in general, all commodities on the market will, in the long run, end up selling at a price determined by the amount of *socially necessary labor time* that goes into the production of each.

However, capitalists are certainly not just petty commodity producers out to make useful things for others to buy. They're producing to make a profit. Instead of starting out with one commodity to wind up with another, the capitalist starts out with money, exchanges it for other commodities—machines, materials, etc.—and hires workers (exchanges money for their labor power) to use these to produce another commodity, his product, which he sells for more money than he started with.

The formula "money to commodities to more money (M-C-M)", which describes the process outlined above, reveals how capital "appears *prima facie* within the sphere of circulation",⁵ that is, within commodity exchange how the particular production relations peculiar to capitalism emerge.

Capital is not simply the accumulation of money, factories, machines and commodities, though under capitalism it assumes all these forms. According to Marx *capital* "is a social relation of production. It is a bourgeois production relation, a production relation of bourgeois society." (emphasis in original) It is this social relation—the purchase by the capitalist of the worker's labor power—which allows the capitalist to transform his money-capital into more money-capital through the process of production. Capital represents the control by the capitalist of the accumulated labor of previous workers as expressed in "a sum of commodities." But "Capital does not consist in accumulated labor serving living labor as a means for new production. It consists in living labor serving accumulated labor as a means for maintaining and multiplying the exchange value of the latter."⁶

Thus, *capitalist society is divided into two great classes*: the capitalist class, or bourgeoisie, who have a virtual monopoly on the ownership of the means of production, do no useful work, but use the state—police, army, courts, prisons, bureaucracies, etc.—to keep the majority of people in line; and the working class, or proletariat, who own no means of production and have no real political power but do all the work.

In order to live, the dispossessed proletarian must sell his *labor power*—his ability to work—for money, with which he can buy the necessities of life. This exchange of labor power for a wage is a commodity exchange, the most basic commodity exchange of capitalist society, and the one which sets capitalism apart from all other

modes of production. As Lenin pointed out: "By capitalism is meant that stage of development of commodity production at which not only the products of human labor, but human labor power itself becomes a commodity."⁸

The capitalist pays out a wage and in exchange he puts the worker to doing whatever work will make the most money, or profit, for the capitalist. If there is no possibility of making a profit, the capitalist will not hire the worker or will lay off those already employed. Their survival is a matter of indifference to him.

It is the capitalist who decides what the nature of work will be. He can shift you from one line to another, from one job to another, and even from one plant to another. He determines what will be produced, in what number, and he appropriates what the worker produces and sells it as *his* product. Although trade unions, contracts and the like can modify details, this basic relationship between capitalist and worker is not and cannot be changed as long as the capitalist class rules the state and owns the means of production.

The labor power which the worker sells is really a special kind of commodity. Unlike machines, raw materials or any other commodity, labor power actually creates value as it is used. If you buy an apple and eat it, you have paid money for it but you don't make any more money by eating it. The same is true of raw materials and machinery used up in production. But when the capitalist buys the worker's labor power and puts it to work, new products are created, worth not only the value of the machinery and raw materials used up and the value of the wages paid out, but also an extra amount of value besides.

This is because it takes less than eight hours to produce the value equal to your labor power—the value, in money terms, necessary for you to work and reproduce new generations of workers. So during that eight hours, you are working part of the time for yourself—that is, you are producing enough value to cover your wages—and part of the time you are creating new value for the capitalist for which you get nothing in exchange. Part of the work day is paid labor, and part is unpaid.

The value produced during the unpaid part of the work day is *surplus value*—value produced by the workers above and beyond the value they need to maintain and reproduce their labor power. It is this surplus value, produced by the workers but appropriated by the capitalists, which "gives to the accumulated labor a greater value than it previously possessed."⁹

It is the creation of surplus value by the workers and the appropriation of this value in various forms by the capitalist class, to be disposed of according to the needs and desires of that class, which is the distinguishing feature of the capitalist system. It sets it apart from all other social systems, especially socialism, which is not based on the exploitation of man by man, and which is a transition stage to

communism, which will mean the elimination of all classes.

Through competition—through its fits and starts and the gobbling up of weaker firms by the stronger, especially in its inevitable and recurring periods of intense crisis—capitalism develops the means of production into a giant, highly concentrated and centralized—truly social—instruments. Under the impact of this development labor, too, becomes increasingly socialized. One individual can no longer master the whole process of production—the collective worker, comprising many individuals of varying skills working at specific tasks in cooperation with each other in large-scale enterprises, is born.

But appropriation remains private, in the hands of a class of non-productive owners making up a very small percentage of the population and living parasitically off the great majority of society. The appropriation by this class of products of value produced by socialized labor forms the basic contradiction of capitalism, and is the barrier to unrestricted development of production. It is the basis of the chaos and suffering of the people under this system.

The bourgeoisie (capitalist class) is driven by this contradiction to constantly try to wring more and more surplus value from the workers. This is not because individual capitalists are just greedy. Rather, capitalism is based on the fact that each capitalist must try to *maximize* his profit gained from the production and sale of the commodities, that is, from the exploitation of the working class. No alternative is left to the capitalists because private appropriation on the basis of commodity production and exchange makes rational, all-sided planning and cooperation to develop society impossible. Things which may be needed by the people will not be produced unless their production brings profit to capitalists; and the capitalists' investment must be directed to wherever they calculate the rate of profit to be highest.

By *intensifying* the exploitation of the workers, the capitalist will be able to lower the exchange value of his product, undercutting any capitalist who does not do the same. If the capitalist did not try to maximize his profit he would be unable to make profit at all and would be wiped out and/or gobbled up by competing capitalists. Thus the capitalists always try to keep wages down (to depress them below the value of labor power), and to lengthen the working day. They lay off workers and speed-up those kept on—all to increase the amount of unpaid labor over paid. They *must* do this to continue to survive as capitalists.

The relentless drive to maximize surplus value forces the capitalist class, in Marx's words, "to develop the productive forces as if only the absolute power of the consumption of the entire society would be their limit."¹⁰ Yet capitalism can only expand production unevenly, without order and with little regard for where the economy as a whole is headed. Even as the capitalists expand

production they are forced, in the dog-eat-dog world of the profit motive, to increase the share of production which they appropriate as profit. Once again this is not due to greediness on their part. In fact relatively little of the surplus value appropriated by the capitalists is consumed by them (though they certainly indulge in wasteful and decadent personal consumption, reflecting their parasitic role in society). Most is re-invested in further production for the creation of even more surplus value. This is also something which the capitalists are forced to do by the need to maximize profit.

As the capitalists take greater and greater shares of production in the form of surplus value, the relative capacity of the workers to consume what has been produced must diminish. The working class, the majority of the population, and the main consumers of the goods they produce, cannot buy back what they have produced and goods start rotting on the shelf.

Moreover, the situation is made worse by the fact that the contradiction between private appropriation of wealth by the capitalists and social production by the workers has left the economy in a state of unplanned anarchy. The capitalists have only organized production of what is profitable and not what the workers need or can purchase. The bad effects of such crises may, under certain favorable conditions for the capitalists, be temporarily lessened through "artificially induced inflationary demand" (like increased government spending). But the basic contradiction between the social character of production and the private appropriation of the values produced cannot be eliminated without a proletarian revolution.

The key to all this is the fact that the organization of production, and the links between different sectors of production, as well as between production and consumption, are all determined by the laws of commodity production, the law of value and the law of producing profit for a non-productive minority of society. This, as we will see later, is a crucial point in understanding the operation of state monopoly capitalism in the Soviet Union.

Through successive crises, in which weak capitalist enterprises go to the wall and are gobbled up by the strong, and through the restless drive of each capitalist to expand his capital, the system begins to change its form. Once characterized by numerous competing firms, owned by individual capitalists, capitalism turns into its opposite—a system characterized by a few giant monopolies in each major branch of production, in which the "collective" corporate form of ownership predominates. This stage of capitalist development, which began as early as the 1870s but became the dominant form in a few developed countries at the turn of this century, is called monopoly capitalism, or imperialism.

Imperialism remains a system of wage labor, with the extraction of surplus value as its basis

and goal. It is the highest and final stage of capitalism. It has five main features which distinguish it from the earlier form of "competitive capitalism":

(1) *The dominance of monopolies in the major industries of a country. Imperialism and monopoly capitalism are one and the same.*

(2) *The merging together of industrial capital and bank capital into finance capital, as the dominant form of capital and investment.*

(3) *The export by the big monopolies of capital: either money, in the form of long-term loans and investments, or physical capital, such as factories, machines, etc. This export of capital, international investment—necessitated by the fact that the monopolies appropriate huge amounts of surplus which they cannot profitably invest within their "own borders"—replaces trade of finished goods as the main form of capitalist economic relationship with other countries. This is another reason why monopoly capitalism and imperialism are one and the same.*

(4) *The formation of international cartels between the big monopolies of various imperialist countries. These cartels seek to divide up the world market between their members on the basis of their respective economic strength and to keep prices up by suppressing competition. However, like all thieves, their members eventually fall out with each other, and their agreements are always breaking apart.*

(5) *And finally, since the territorial division of the world by the big capitalist powers is completed, the various imperialist countries struggle against each other to redivide the world. This is why imperialism inevitably produces wars.*

The dominance of finance capital and the growing export of capital give qualitatively greater importance to those capitalists whose commodity is money-capital itself. These finance capitalists lend out money capital on which they "earn" interest—their cut of the surplus value appropriated from the exploitation of the working class in production. The finance capitalists are thus able to control and exploit without direct and total ownership of the means of production.

At first under capitalism, banks were intermediary credit institutions. They took capital (in money form) from capitalists who could not at the moment make use of it themselves, and from the petty bourgeoisie and a small segment of better-paid workers in the form of savings, and gave capital to those capitalists who needed it and could make use of it in production at the time.

But with the further development of capitalism, banks, just as industrial enterprises, unite, their size and turnover continually increase and they accumulate tremendous amounts of capital. The greater part of this belongs, in principle, to others, but the bank's own capital grows, too. With such accumulations of capital at their disposal, the bankers come into closer contact with the industrialists they serve and a merger

between the two takes place. Bankers become industrialists, while industrialists open banks. Finance capital is born.

For example, in California the Bank of America became the world's largest bank in part through its investment in agriculture. Though the Bank's own land holdings are quite small, its indirect control of field production obtained initially through loans makes it a major force. Bank of America representatives now sit on the boards of agricultural firms, canneries and supermarket chains, as well as many other corporate interests. And with capital accumulated from such endeavors the Bank invests additional capital in new areas of production. Much of this investment is sent abroad where opportunities to extract surplus value are greater. This investment may at first take the form of interest-earning loans, but as in the domestic economy such loans soon yield a growing measure of control. This control can be quite adequate as a substitute for direct ownership, although the latter form is also very important. This is what we refer to as the export of capital.

All this lays the groundwork for collective ownership on the basis of capitalist relations of production. In Lenin's words, "Scattered capitalists are transformed into a single collective capitalist."¹² However, such collectivity cannot transcend the anarchy of capitalist production, because each collective unit—each corporation or monopoly—acts according to its own individual interests. Hence small groups of finance capitalists, organized on a collective, but still private, basis in banks and corporations, can control directly or indirectly the whole economy, but capitalism will continue to develop unevenly and chaotically under their rule. As we shall see, within the Soviet Union the state acts in a very similar way to such classic finance capitalists, only with even greater monopoly control. And upon examination, Soviet "foreign aid" turns out to be good old imperialist capital export, even though major Soviet projects abroad often do not involve direct ownership of the assets created.

Keeping this in mind, we can see that the notion of imperialism as big industrial nations ripping off underdeveloped raw material-producing nations through trade is fundamentally incorrect. So is the notion that imperialism is simply a policy favored by the nastier sectors of the capitalist class, and not a structural necessity of capitalism at a certain stage of its development. Further, while the ripping off of raw materials from other countries, especially the underdeveloped, agrarian countries, is an important aspect of imperialism, this is not the *essence* of imperialism.

It is the unquenchable thirst for more profit that makes capitalists move factories from one region—or country—to another, where they can pay lower wages, force workers to labor longer and harder, extract raw materials cheaply and sell their products dearly. Imperialism does not

do away with any of the internal contradictions of capitalism. It raises them to a more intense level and spreads them around the world.

Imperialist cartels and superpower alliances "for the ending of conflicts and the prevention of new crisis-fraught situations" (to quote Leonid Brezhnev's 1973 TV address to the American people) are fundamentally unstable. They cannot end competition between different capitals or guarantee peace, because the *essence* of capitalism is the drive to get maximum profits—by any means necessary. Contradictions between the imperialists have already led to two world wars in this century. But the contradictions between imperialism and the peoples and nations it oppresses, and between the imperialist bourgeoisie and the proletariat, lead to a worldwide struggle against imperialist rule, and inevitably to the victory of proletarian revolution and socialism.

2) What Do We Mean by Socialism?

Only socialist revolution can eliminate the anarchy, destruction and misery caused by the capitalist system. Socialism resolves the basic contradiction of capitalism by doing away with the *private* ownership of the means of production and the *private* appropriation of the surplus produced by the collective, socialized labor of the working people.

Under socialism profit is no longer the aim of production. Production is for use, for the benefit of the masses of laboring people and not for the enrichment of a small class of privileged do-nothings. Under socialism the means of production no longer have the character of capital—that is, they are not controlled by a small class of capitalists who, to increase their wealth and power, must brutally exploit the working class—and although workers still receive wages their labor power is no longer a commodity sold on the market to exploiters who then use it for the sole purpose of maximizing profit.

Socialism enables people to solve problems which under capitalism seemed insoluble; to build things which under capitalism couldn't be built. Low-cost housing, for example, an "unprofitable" investment under capitalism, can be a priority under socialism. Health care, big business for the capitalist drug companies and hospitals and a horror for the people, is a well-funded and beneficial public service in socialist society. And there is no need under socialism for public transportation to "pay for itself" with outrageous fares in order to stay in operation (as in San Francisco's BART and New York's Transit Authority). Under socialism all the social wealth produced by the workers can be brought together, so to speak, in "one pot" and then allocated according to the overall needs and development of society, as much as possible independent of the current profitability of any given investment.

Socialism puts the needs and interests of the

working class first: all society is oriented to serving the laboring people. In a capitalist system cut-throat competition is the fundamental law, but under socialism cooperation and the ideals of equality and fraternity can be encouraged and developed.

But, as Lenin wrote, "socialism is inconceivable unless the proletariat is the ruler of the state." The seizure of state power by the working class and the establishment of a dictatorship of the proletariat is the first and most decisive step along the socialist road. Only then can the state, ruled by the working class, take possession of the means of production and abolish the profit system. Only then can the wealth created by the workers be controlled and utilized *collectively* by society, through the state, instead of going into the pockets of the bourgeoisie as capital.

But according to Marx and Engels, the establishment of socialist society does not just mean social ownership of the means of production. To them socialism means much more. They define socialism as a system based on the abolition of wage labor itself.

In a society without wage labor, the relations of production must reflect the total mastery of the direct producers over all the productive forces. Among other things, this means that the products of labor are no longer commodities—"products of the labor of private individuals or groups of individuals who carry on their work independently of each other." Production and distribution are no longer regulated to *any degree* by the blind law of value, but solely through conscious social decision.

In *Anti-Duhring*, Engels tells us that under socialism the amount and types of goods to be produced are determined *directly*, on the basis of an evaluation of their usefulness to society and the labor time necessary for their production, "without the intervention of the famous 'value'." The fact that the workers control the state and therefore own the means of production is the most fundamental and necessary precondition for acquiring this mastery.

As Lenin pointed out, nationalization does not mean socialization. For a more fully developed socialism to be built, the dictatorship of the proletariat must in time change the whole organization and purpose of production, so that the material and cultural standards of the people can be constantly raised, and the role of the working class and socialist principles can be strengthened. Through planning, the proletarian state must begin to break down the separation of the workers from the exercise of direct control over the productive forces, a separation which characterizes all commodity production. It must also break down the relative isolation of the producers from one another.

Socialism, then, is really a long period of transition from capitalism, the most highly developed stage of commodity production and of class society, to communism which represents the complete overcoming of all vestiges of com-

modity economy and of all class distinctions. Within this transition there are, of course, different stages.

Throughout the transition process, the workers themselves have to begin playing an ever-growing role in organizing and directing the process of production at the plant level. And at the national level, the workers must come to participate in and lead the whole planning process. Only in this way can the separation of the worker from the ownership and control of the means of production—which is the very essence of wage labor—be ended in more than a formal or juridical fashion.

In everyday language, we refer to those societies which have taken the step of overthrowing the capitalist class, establishing the proletarian dictatorship and instituting state ownership of the means of production and planning, as "socialist." When we do this we are following the lead of Lenin who said that the use of "the term Socialist Soviet Republic implies the determination of Soviet power to achieve the transition to socialism, and not that the new economic system is recognized as a socialist order."

In the Soviet Union under Lenin and Stalin, the determination to build a full socialist society lay at the heart of the Communist Party's political line and of the policies pursued by the state, just as this determination continues to guide policy in countries like China today. But in none of these countries do things today match up to the description of a fully developed socialist society found in the works of Marx and Engels, in part at least because the transformation of small-scale commodity production, which was very widespread in these countries at the time the proletariat seized power, into large scale socialized production has proved to be a long and complex process, marked by stages and by intense class struggle at every stage!

In all socialist societies established so far, money, rather than the direct calculation of social labor time, continues to be the chief means by which goods are evaluated and distributed. Monetary value and physical magnitudes (weight, length, etc.) are used by the state planners to allocate resources and measure production. And not only do workers still receive money wages, but the stage allocates the means of production to its enterprises as money credits. For example, a steel mill won't get its iron ore, coal or new blast furnaces delivered to its door by the state; it receives a grant or credit of so much money for their purchase, along with instructions on the quantities and types to be obtained.

Further, although all major industrial production units are owned by the state, they each continue to have a separate "legal personality" in the eyes of the law. In line with this, as we indicated above, they have a certain degree of financial autonomy, and are generally expected to cover costs with sales, and even to show a

profit.*

All this indicates that in real life, societies where the dictatorship of the proletariat is in power, societies which we call socialist, the law of value continues to operate in a somewhat limited manner. What conclusions should we draw from this?

The bourgeoisie says that this proves that Marxism is all wet, and socialism an impossible daydream. They claim that capitalism is the only system under which modern industry can operate.

And for certain idealistic "radicals", the existence of any market forms is a sign of full-blown capitalism, despite the fact that exploitation occurs at the point of production and not in the market place. They conclude that the revolution was either a failure or betrayed.

The Soviet social-imperialists, as one might expect, take basically the same line as the U.S. and other bourgeoisie, dressing it up with all sorts of "Marxist-style" doubletalk. Turning to the pages of *Pravda*, we read that "'Commodity,' 'money,' 'price,' 'profit,' ... are inherent in socialist production relations, are inalienably connected with them."

However, they caution, we must not get confused: "Under socialism we are speaking of a law of commodity-money relations, and of a law of value, with a social content and role altogether different from those under capitalism, of a law of value and commodity relations the like of which has never existed in history." According to the Soviet revisionist economist S. Pervushkin, "The entry of our country into the period of the comprehensive building of communism is marked by a broadening rather than by a curtailing of the sphere of operation of value categories within the country and in relations between countries."¹³

Now Marx was very clear that "*economic categories* are only the *abstract expressions* of these actual (production) relations, and these expressions remain true only when the relations exist."¹⁴ So the fact that a society calling itself socialist still calls upon market categories in ordering its economy means that the old capitalist relations of production have not been completely replaced.

In fact, the actual market itself is really just one aspect of a much broader system of capitalist production relations. This system includes as well the old division of labor inherited from thousands of years of commodity production. Marx and Engels always argued that some division of labor was necessary in all social production, but that division of labor which places some people—managers, technicians, planners—in positions of authority, direction and control, over others is a socially determined division of

labor: in the long run, it is not necessary. It exists only as the product of humanity's division into class society. Socialism inherits this division of labor from capitalism and seeks to eliminate it.

The new socialist relations described by Marx and Engels cannot be established at the stroke of a pen. The final triumph of socialist relations comes from a process which takes time and conscious struggle, class struggle. It comes from a long process of constant strengthening of the dictatorship of the proletariat; of gradually, steadily increasing the power the workers themselves have over society. It is not the automatic by-product of developing the forces of production. As Mao Tsetung has said, "Political work is the lifeblood of all economic work."¹⁵

The exploitation of man by man has always rested on private control over the means of production. Through genuine socialization, the effective abolition of wage labor and the constant strengthening of the political and social power of the working class—of the dictatorship of the proletariat—a socialist society can bring this exploitation to a final end. But only under communism, when the divisions between mental and manual labor, between workers and peasants and town and country have broken down and the socialist principle of distribution "to each according to his work" has been replaced by distribution according to need, can all *social* inequality (as opposed to *individual* differences, which always exist) disappear.

In summary, the continuing presence of capitalist production relations under socialism provides an objective basis for the restoration of capitalism, but this does not indicate that the economy, and the society, is capitalist. We can say that *socialism exists where the working class actually holds state power, where the sphere of operation of the law of value is being reduced to the maximum degree permitted by economic and political realities, where the initiative of the working class in developing new relations of production including a new division of labor is actively fostered by Party and state, and where the revolutionary transformation of all aspects of society is vigorously carried out under the leadership of the working class and its Communist Party.*

3) How Did the Working Class Build Socialism in the Soviet Union?

In the Soviet Union, under Stalin, as in the genuine socialist countries today, market categories did *not* play a central role in regulating the state economy. In decisions regarding production and investment, the role of prices was minimal, and the prices themselves were set to reflect political priorities and not actual costs. (For instance, between 1947 and 1950 prices of basic consumer goods were reduced by about 40%!) Similarly, real output—how much enterprise actually produced measured in quantitative, not money-value terms—not profit, was the key indicator of enterprise success in fulfilling its planned obligations.

*However, this profit is not figured as a percentage of total invested capital, as it is in capitalist societies and in the Soviet Union today, but simply as the difference between the actual cost incurred by the state in producing the product and its state-set wholesale price.

The workers knew that they were working for themselves. The Soviet Constitution of 1936 put forth the principle, "he who does not work, neither shall he eat", which made it illegal to live on unearned income, in other words, off the labor of others. It guaranteed every citizen the right to work. The Plan turned this promise into a reality by its phenomenal development of industry, and continued to assure full employment by determining the size of the work force and expected level of productivity for each enterprise. By 1930, it was possible to shut down the last labor exchange in the Soviet Union.

Of course, when a construction project was completed, or when technical progress warranted, workers could be laid off. But such workers were always reassigned *according to plans* set by central authority under Party leadership.

When we examine what life is like for workers in the Soviet Union today, a very different picture emerges. One of its "highlights" is the re-emergence of the free labor market: labor exchange/unemployment offices going under the fancy names of "Bureaus for the Utilization of Manpower Resources" have been established in 80 cities. The so-called reforms in planning and management introduced by Brezhnev and Kosygin have made a mockery of the Soviet Constitution's guarantee of work for all. But that's okay, the Constitution itself is scheduled for "revision", too.

The position of working people in the Soviet Union under the dictatorship of the proletariat was not simply more secure. As the workers began to see themselves as masters of society, new attitudes towards work emerged—mass movements to raise the productivity of labor began to arise spontaneously. Under Lenin and Stalin these mass movements were popularized and spread by the Communist Party.

During the Civil War following the Revolution and in the early 1920s, the "first tender shoots of communism", as Lenin called them, appeared in the form of the communist Subbotniks (communist Saturdays). These were initiated by workers on the Moscow-Kazan Railway, together with Party members and sympathizers, who gave up their day off to work for free. Soon they were joined by non-Party workers from many different branches of production. Although the work was unfamiliar to many and poorly organized, the productivity of the Subbotnik workers was from two to three times higher than normal! From Moscow, the movement spread throughout Russia.

The 1930s saw a second spontaneous movement arise among the workers—the famous Stakhanovite movement. While the bourgeoisie (who has experience with these things) claims that Stakhanovism was a speed-up attempt masked by proletarian rhetoric, nothing could be further from the truth. It was not initiated from the top, with the aid of time-study men and "efficiency experts", but by a rank-and-file coal miner from the Donetz Basin, Alexei Stakhanov.

Stakhanov scientifically analyzed his own job, re-organized the coal cutting procedure, and was able to increase his output fourteen times—with no additional physical exertion. Almost before his achievement had been publicized, other workers in various industries began to emulate him, often working in teams to study and modify the work in question. In general, the Stakhanovite workers eagerly taught their improved techniques to fellow workers.

The Stakhanovite movement was not only a struggle for production, it was a class struggle as well. Stalin remarked in the early days of the movement that "to a certain degree the Stakhanovite movement was conceived and began to develop against the will of plant management, even in struggle with it. Management at that time did not help the Stakhanovite movement but opposed it."¹⁶

This opposition was based on a fear of rocking the boat—the managers not only wanted to keep production quotas low (and therefore easy to fulfill), but to maintain the old bourgeois division of labor between mental and manual work, organization and execution. Until the facts overwhelmed them, they insisted that the tried-and-true methods prescribed by the production engineers were the only correct way of doing things. They were unwilling to accept the evidence that production could be better organized, and socialism developed faster and more fully, by relying on the rank and file workers, rather than *relying* on experts.

Thus, "the Stakhanov movement arose and developed as a movement coming from below."¹⁷ This is precisely what gave the movement such great significance and why it represented an important step in the process of eliminating the distinction between mental and manual labor. However, there were also certain weaknesses in the campaign. First of all the movement perhaps put too much emphasis on the granting of material incentives to Stakhanovites, who were sometimes rewarded with bonuses and/or higher salaries for increases in production. Not only did this tend to cultivate bourgeois ideas of self-interest among the Stakhanovites themselves, but also had the effect of setting the more advanced Stakhanovites apart from the masses of workers. In a few instances this even created a certain degree of hostility toward the Stakhanov movement among the workers.

Secondly, the Stakhanovites themselves were often plucked out of production and sent to technical institutes and universities for further training and education. This did represent a certain rational use of talent and ability, but to some extent it also tended to defeat the very purpose of the movement, which was to begin breaking down the distinction between experts and the masses. Given the conditions of the times this was in part unavoidable, but a serious error was made in not recognizing that the advancement of Stakhanovites to official positions changed their objective position in society.

These weaknesses do not, however, alter the overwhelming positive character of the Stakhanovite movement, which represented a great advance in the class struggle and not, by any means, "speed-up" or "bribery" as imperialist, Trotskyite and revisionist slander tries to portray it.

Worker initiative and class struggle also took less spectacular forms during the period of the Soviet dictatorship of the proletariat. While factory discipline was tight, the authority of the management could be—and often was—challenged on the basis of proletarian politics in plant-wide production conferences. Led by Party activists, the workers would expose inefficiency and corruption, concealed equipment and falsified output data. The directors dreaded these highly political mass meetings.

A revealing account of one such production conference, called to discuss the quotas assigned to the plant by the Plan, was given to a U.S. "Sovietologist", Joseph Berliner, by a former Soviet professor of commercial law and industrial management who had taken the capitalist road into exile in Germany after WW 2 (if he had stuck around a few years more, he probably would have made it big!):

*"All the workers, all are called to the production conference. And then begins the so-called 'counter-planning' in a very crude form, which quickly ends in a fiasco. They read off the plan. Here, our chief administration has given us such and such information, such and such indices, of course we have to meet them, we all understand that this has to be done. Thus, the agitation proceeds further. This we have to do, we have to fulfill and overfulfill. I hope that some of the workers—this is said by some engineer or a representative of the Party organization—will bring forth counter-proposals. Now everyone wants to manifest his 'activity,' some 'butterfly,' some milkmaid gets up in her place and says 'I think we should promise Comrade Stalin to overfulfill by 100 per cent.' She takes no account of materials, no account of supply. Then a second stands up and says 'We should all promise 100 per cent and I personally promise 150 per cent!' In short, it piles up higher and higher, and the engineers and economists scratch their heads. Nevertheless, this is called 'counter-planning', a manifestation of the new socialist morality and higher socialist enthusiasm. All this goes to the top and there, you understand, there is confusion, downright confusion, a complete muddle."*¹⁸

In this passage it is difficult to tell what is more striking: the enthusiasm shown for socialism by these working people, their willingness to shoulder increasing responsibility, or the contempt heaped upon them by the renegade "expert."

Actually, however, some of the basic contradictions of Soviet socialism are laid bare here. From one point of view, this scoundrel had a point. Without careful consideration of such technical and material factors as raw materials supply, the

Soviet economy could go nowhere. And, in fact, overfulfillment by such huge amounts—even if possible—just might be *bad* for the society as a whole. (But, of course, it could also be a needed corrective to the stodgy conservatism of managers and planning administrators.)

In short, worker enthusiasm by itself was not enough. Until the workers were themselves capable of *collectively* gaining the skills and developing the forms appropriate to the management of a complex industrial economy—something they were and still are fully capable of developing, no matter what elitist bourgeois cynics may say—until then, they would be dependent on such experts.

One response to this problem was to train new and more politically conscious experts from the ranks of the workers. This was certainly good, but even these "proletarian experts" continued to occupy a position objectively different from and above the working class—essentially the same petty bourgeois position as the old experts, irrespective of the subjective desires to serve the people these new "proletarian experts" no doubt had. Of course, this contradiction, and the mental/manual contradiction in general, cannot be eliminated for a long time, but measures must be taken to do this step by step, and at all stages ideological struggle and mass supervision of experts must be developed to deal with this problem.

In Soviet society under the proletarian dictatorship, the old division of labor was not fully overcome and a new division of labor had not yet been fully developed. (The very existence of these production conferences, however, shows that at least this was beginning.) Much stress was placed on limiting the sphere of operation of the law of value and the market and, in fact, there was a tendency, particularly during the 30s, for planning authorities to act as if the law of value could be completely disregarded, an ultra-"Left" error which Stalin later criticized.¹⁹ But at the same time, relatively less emphasis was placed on developing a new division of labor. In other words, capitalist relations of production continued to exist in the Soviet Union. We shall return to this problem in more detail shortly.

4) How Can Capitalism Be Restored in a Socialist Country?

How is it possible for a socialist country, a country where the workers have seized state power under the leadership of a Communist Party, to revert to capitalism?

The answer is complicated, but lies in the fact that socialism doesn't drop from the sky. It comes into being through revolution to overthrow capitalist society, but, as Marx writes in the *Critique of the Gotha Programme*, it is "in every respect, economically, morally and intellectually, still stamped with the birth marks of the old society."

Socialist countries exist in a world where the capitalists have not given up their quest for wealth and power. The old exploiting classes

cannot be expected to quietly submit to the loss of their political power and property. They will try to regain them through armed counter-revolution. And they will inevitably find foreign imperialist governments as allies.

History shows there is nothing naive about the importance of safeguarding the socialist state against attempts to violently overthrow it. During the first three years of Soviet power, the armies of nearly all the imperialist powers, among them the U.S., who had profited greatly from their investments in old Russia, linked up with former tsarist generals to terrorize the countryside. After their defeat, a vicious economic blockade was enforced and the possibility of renewed military intervention could never be ignored. Twenty years later the Soviet Union had to face and beat back a full-scale Nazi invasion.

But experience has shown that capitalism has more weapons than guns at its disposal. As Mao Tsetung warned, at a time when the protracted war of the Chinese people was rapidly approaching final victory in 1949, "It has been proved that the enemy cannot conquer us by force of arms", but "There may be some Communists who were not conquered by enemies with guns and were worthy of the name of heroes for standing up to these enemies, but who cannot withstand sugar-coated bullets; they will be defeated by sugar-coated bullets. We must guard against such a situation."²⁰

Old bourgeois ideas don't instantly vanish under socialism, particularly the first commandment of capitalist society—"Look out for yourself, good old No. 1." This idea is pushed on us from childhood by bourgeois education and culture, and is re-enforced by the daily scramble to survive. It exists not only among the bourgeoisie, but among all classes, including the working class as well (as any worker who has had to fight scabs crossing a picket line can testify).

Bourgeois ideology remains a powerful weapon for capitalist restoration in a socialist society and must be fought by mass action and education every step of the way.

But this struggle is not primarily an abstract struggle against "selfishness", a process that mainly occurs in people's heads. Bourgeois ideology under socialism finds concrete expression in education which divorces theory from practice, and in art which centers around and subtly or even overtly upholds the old exploiting classes and glorifies the reactionary values of the past instead of showing the struggles and achievements of working people and popularizing socialist values. And bourgeois ideology is manifested in bureaucratic methods in government and economic management which suppress the initiative of the masses. The slogan "let the experts decide" only strengthens the bourgeoisie.

The main struggle against bourgeois ideology takes place in concrete struggles to replace these old ideas and methods with proletarian ideology (which is based on principles of cooperation, equality and hatred of exploitation and reliance on

the masses of people to organize production and society in general on the basis of scientific understanding of how society develops) and new methods in all the institutions of society.

Such struggle took place on a vast scale in China during the Great Proletarian Cultural Revolution. This struggle also took place earlier in the Soviet Union under Stalin's leadership, but its importance was not as fully recognized and the same kind of mass forms for unfolding the struggle were not developed. Socialism in the USSR, the first socialist state, had to break totally new ground, and all the tried and established methods of getting things done were inherited from the bourgeoisie. To the degree that they went unchallenged and unchanged, they slowly but surely weakened the proletarian character of the state and the socialist nature of the economic base. And this created the subjective conditions for a more or less peaceful restoration of capitalism.

"The easiest way to capture a fortress is from within"—as was pointed out in the *History of the Communist Party of the Soviet Union*, published in 1939 under the direct supervision of Stalin.²¹ As our next chapter points out, the implications of this were not fully grasped by Stalin, but this statement nonetheless points in the direction of a correct understanding of capitalist restoration in the USSR.

What are the objective conditions for the restoration of capitalism?

We have already mentioned the fact that capitalist relations have not been completely replaced by specifically socialist relations of production in any country where the dictatorship of the proletariat has come to power. This means that the economic basis of capitalism continues to exist, since as Engels says in *Anti-Duhring*, "the value form of products . . . already contains in embryo the whole capitalist form of production, the antagonism between capitalists and wage workers, the industrial reserve army, crises."²²

Bourgeois ideology can't exist in a vacuum, and production relations are not some metaphysical notion but actual relationships between people and classes. The presence of these subjective and objective conditions for the restoration of capitalism in a socialist country indicate that bourgeois or potentially bourgeois groups also continue to exist there.

In the Soviet Union we can distinguish several groups which formed the main basis for capitalist restoration.

First, the rich peasants or *kulaks*. Until agriculture was collectivized, the rich peasants were able to exploit landless villagers as tenants or wage-laborers. They tried to use their control over the production of food to blackmail the urban proletariat into ever more concessions which would have strengthened private property and private trade. In the early years of the dictatorship of the proletariat in the Soviet Union, Lenin ranked the kulaks (rural bourgeoisie) with the imperialists as the main forces of capitalist

restoration. He pointed out that agriculture itself, in a very backward state, marked by individualized peasant production, would continue to provide soil for capitalism since "small production engenders capitalism and the bourgeoisie continuously, daily, hourly, spontaneously and on a mass scale."²³ And even after the breaking up of the kulak class in the late 1920s, many managed to worm their way into positions of authority in the collective farms where they continued to push the line of private over social interest, pitting the collective against the state.

Secondly, the managers and technicians and other "professionals", intellectuals and mental workers. Though nominally employed by the workers' state, the managers came to see the enterprise they directed as their own personal property, and to lord it over the workers. Similarly, the technicians and others in like positions, even many from working class families (like Brezhnev), thought their expertise entitled them to special consideration and privileges. As we have seen, they often refused to draw upon the experiences of the workers to solve technical problems.

These groups constituted the main *social base* for the restoration of capitalism, which could never be carried out by a few people, even the most strategically placed and influential leaders, without such a social base. But while these groups may have formed the social base—that is, while their objective position made these strata most open to bourgeois influences—it is important to distinguish between them and the top bureaucrats in the Party and state apparatus, who are the only ones in a position to *lead* society back down the capitalist road, and to actually *organize* production along capitalist lines. Such Party and state officials who themselves depart from Marxism-Leninism and adopt the class stand and world outlook of the bourgeoisie, use the lower, "intermediate strata" as their social base, promote their privileges and tendencies to bourgeois ideology, and use them to stifle the initiative of the working class.

The genuine communists in the leadership of the Party and state, who adhere to Marxism-Leninism, basing themselves on the class stand and world outlook of the proletariat, maintain ties with and rely on the working class and the masses of working people as their social base, as the only force capable of pushing forward the difficult struggle along the socialist road. From this standpoint, the genuine Marxist-Leninist leaders rally the masses to supervise, criticize and win over the intermediate strata, struggling against their bourgeois tendencies and step by step overcoming their privileges to unite with them in taking the socialist road.

For all these reasons, there is fierce struggle continually at the top ranks of the Party, between those taking the socialist and capitalist roads. This is part of the overall struggle within socialist

society between the bourgeoisie and the proletariat, but is also the sharpest focus of this struggle. This is why Mao Tsetung has summed up—both from the experience of the Soviet Union and China (as well as other socialist countries today)—that the main focus of the class struggle under socialism is within the Party itself and particularly in its top ranks, and that the target of the proletariat in this struggle is the "handful of capitalist roaders" who repeatedly emerge, especially within the top Party leadership.

Such top bourgeois careerists are especially well placed to restore capitalism relatively bloodlessly because of state ownership of the means of production and the Party's control over the work of the state and enterprises. Some of these people are out and out opportunists. Others started out with a sincere attitude toward serving the people but became isolated from the masses as they rose to the top. Their past successes made them smug and they became infected by the very ideas they had set out to fight.

We can see from all this that under the dictatorship of the proletariat, the question of "which class shall rule" is not closed. It is inevitable that bourgeois forces arise and either try to restore private property, or to turn the social property of the working class into the collective property of a new state bourgeoisie. Their success, however, is *not* inevitable.

As Mao Tsetung has summarized: "Socialist society covers a considerably long historical period. In the historical period of socialism, there are still classes, class contradictions and class struggle, there is the struggle between the socialist road and the capitalist road, and there is the danger of capitalist restoration. Our instruments of dictatorship must be strengthened, not weakened."

For the proletariat to maintain state power and completely transform the relations of production, it must wage the most resolute struggle not only against bourgeois groups but also against bourgeois ideas among the masses of the people.

And in this "struggle between the socialist road and the capitalist road", the relationship between the Party and the masses is decisive. The tasks of the socialist period cannot be accomplished by Party members working in isolation from the masses. "It is the masses alone who make history", and the Party must arm them with the scientific understanding that enables them to carry out the historic role of the proletariat consciously, and unleashes their creative power in achieving this task. By keeping in constant touch with the needs and aspirations of the masses, and by educating them in Marxism-Leninism (which is nothing but the scientific summing up of the struggles of all oppressed classes throughout history, according to the world outlook of the proletariat, the most advanced and revolutionary class in history), the Party helps the masses fight for themselves—for

a new culture, new relations of production and to maintain and strengthen the dictatorship of the proletariat as a true instrument of the masses.

The key role of the Party comes into even sharper focus when we see that in the Soviet Union and other revisionist countries, it was only

by "seizing the fortress from within" that capitalism could be restored. It was high Party officials—led by Khrushchev, Brezhnev and Kosygin—who subverted the dictatorship of the proletariat and established themselves as a new state bourgeoisie.

1. Friedrich Engels, *Anti-Duhring*, p. 167.
2. A. Leontiev, *Political Economy*, p. 41.
3. Leontiev, p. 46.
4. Leontiev, p. 47.
5. Karl Marx, *Capital*, Vol. 1, p. 155.
6. Karl Marx, "Wage Labor and Capital" in *Selected Works in One Volume*, p. 81.
7. Marx, "Wage Labor and Capital", p. 82.
8. V.I. Lenin, "On the So-Called Market Question", *Collected Works*, Vol. 1, p. 93.
9. Marx, "Wage Labor and Capital", p. 82.
10. Marx, *Capital*, Vol 3, p. 473.
11. These features were outlined by Lenin in his pamphlet *Imperialism*.
12. Lenin, *Imperialism*, p. 76.
13. *Planovoe Khoziastvo*, 1961, #7.
14. Marx, "Critique of the Gotha Programme".
15. Mao Tse-tung, "Introductory note to 'A Serious Lesson'" (1955) in *The Socialist Upsurge in China's Countryside*.
16. J.V. Stalin, "Report to the 18th Congress of the CPSU(B)".
17. Stalin, "Speech at the First All-Union Conference of Stakhanovites".
18. Joseph Berliner, *Factory and Manager in the USSR*, Cambridge, 1957, p. 275.
19. In his *Economic Problems of Socialism in the USSR*.
20. Mao Tse-tung, "Preserve the Style of Plain Living and Hard Struggle" in *Selected Readings from the Works of Mao Tse-tung*.
21. *History of the Communist Party of the Soviet Union (Short Course)*, p. 360.
22. Engels, *Anti-Duhring*, p. 174.

Cartoon by V. Deni, 1920



Old Soviet cartoon portrays V.I. Lenin, leader of Russian Revolution and proletarian internationalist, as sweeping away all capitalists, monarchs and other reactionaries. Today, the social imperialists portray Lenin as a pacifist and take the heart out of his revolutionary teachings.

II. THE ORIGINS OF CAPITALIST RESTORATION AND THE RISE OF N.S. KHRUSHCHEV

It is important to realize that the transformation of the Soviet Union from a socialist country into a capitalist one did not come about spontaneously through gradual degeneration. The restoration of capitalism was the product of an acute class struggle passing through several different stages.

The first stage in the actual process of capitalist restoration was the period of inner Party struggle under the proletarian dictatorship, which ended with the death of Stalin in 1953. During these years the working class was firmly in power and proletarian policies were being followed in most areas. However, class struggle did continue and during this period a number of bourgeois elements came forward to engage in struggle with the proletariat.

From the beginning socialism in the Soviet Union developed under the most difficult conditions. The first country in history to begin building a workers' society, the USSR was in several respects ill-prepared for this colossal task. The Soviet workers inherited from the tsars, landlords and capitalists a backward economy which had taken few steps along the path of industrialization. This backwardness was further compounded by the havoc of World War I and three years of bloody Civil War and imperialist intervention. Though more concentrated in large-scale industry and the first working class to overthrow capitalism and establish the dictatorship of the proletariat, the Soviet workers were still few in number, being less than 10% of the total population. The peasantry, revolutionary in spirit, was also economically and culturally very backward. In addition, as we noted before, the Soviet Union was forced to develop socialism surrounded on all sides by enemies.

Faced with a harsh situation, the Soviet workers resolved to build up and industrialize the country on a socialist basis as rapidly as possible, even though they knew this would entail many sacrifices. But as we saw in our encounter with the renegade "expert", dedication and enthusiasm were not enough. Because under the old society workers were denied even the most basic education (most were illiterate in 1917), technical and managerial experts were essential to solve the problems at hand, and these people, of course, had to be recruited at first from the

ranks of the old exploiting classes. Many of these people were, like our renegade, openly hostile to the revolution, and, as we have noted, they formed one major component of the social basis for capitalist restoration.

It was necessary to win them over but at the same time keep them under strict political control. A two-edged policy was adopted, begun under Lenin and developed by Stalin.

On the one hand, bourgeois experts were "bribed" with high salaries and better living conditions when they had to be relied upon to assume positions of managerial and technical authority. This meant that representatives of the old society were given broad authority in performing day to day administrative and technical tasks. Bourgeois managers were even given the right to punish recalcitrant workers in the course of maintaining labor discipline. Thus, to a certain extent, the old exploiting classes were in a position to sabotage socialist construction from within, and to continue to lord it over the workers.

On the other hand, the managers and technicians were kept well separated from the levers of political authority. This meant primarily that the Communist Party remained a party of the working class. At all levels, from the central government down to the individual factory, the experts in charge were supervised by Party militants who could and did mobilize the workers to expose corruption and sabotage.

Even more importantly, the central planning apparatus and all other agencies of central political authority were firmly controlled by the Party, which set economic and political goals with the long-term interests of the masses at heart. Since responsibility for implementating the Plan was in the hands of bourgeois experts, the central planning authorities were careful to set production goals precisely and in great detail. Thus, while the workers had to accept the administrative and technical authority of the experts, the experts themselves were forced to submit to the collective will of the workers as expressed from above by the Plan and enforced from below by millions of Party members and militant workers.

This system represented a necessary compromise. It did not and could not result in a final

defeat for the bourgeoisie. As Stalin continually stressed, "The bourgeoisie was still far from being crushed." Its goal was still to attack and destroy the Communist Party both from without and from within.

From outside the Party, bourgeois experts and managers made several attempts to sabotage and wreck socialist construction. Among the most celebrated of these was the series of events known as the Shakhty Affair. This occurred in 1928 in the Shakhty district of the Donetz Coal Basin. The Shakhty saboteurs "deliberately mismanaged the mines in order to reduce the output of coal, spoiled machinery and ventilation apparatus, caused roof-falls and explosions, and set fire to pits, plants and power-stations."¹

Mindless of the workers' safety and working conditions, these wreckers deliberately ignored labor protection laws. After their exposure, Stalin summed up the affair as an indication of the "intensification of the class struggle." He noted that "bourgeois wrecking is undoubtedly an indication of the fact that the capitalist elements have by no means laid down their arms..."² He added that communists could not fully defeat such activity "unless we develop criticism and self-criticism to the utmost, unless we place the work of our organizations under the control of the masses."³

But such wreckers were in fact not the main danger at the time. Closely allied to them were the opposition factions which emerged in the Party, as Soviet communists engaged in debate and struggle over their future course. The bourgeois forces pinned their hopes on these factions and encouraged them in their efforts to divide and demoralize the Party.

The main question to be decided by the Party at this time was whether to go forward and build socialism in alliance with the peasantry or to stand still and be overcome by the spontaneous forces of capitalism. The Trotskyites argued that it was impossible to build socialism in a country where the majority of the population were peasants. They argued that the Soviet state must engage in "primitive socialist accumulation", with industrialization taking place at the expense of the peasantry. This "left" line was really, rightist in essence because it destroyed the alliance between the proletariat and the poor peasants which Lenin had declared to be the basis of proletarian power in the Soviet Union. In preaching "the idea that 'unresolvable conflicts' between the working class and the peasantry were inevitable", the Trotskyites really "pinned their hopes on the 'cultured leaseholders' in the countryside, in other words, on the kulaks."

The Bukharinites, on the other hand, expressed such hopes openly. Also lacking faith in the ability of the Soviet working class to build a socialist society, Bukharin, a leading Party member, advocated a policy of capitulation to the spontaneous development of rural capitalism. He opposed collectivization of agriculture and instead called upon a few kulaks to "Get Rich!"

The essence of Bukharin's theory was to deny the class struggle under socialism. He presumed that under the dictatorship of the proletariat, class struggle would gradually subside and that then the kulaks might peacefully "grow into socialism." As Stalin was quick to point out, however, this ignores the undeniable fact that "the dictatorship of the proletariat is the sharpest form of class struggle."⁴ Or, as Lenin explained:

*"The abolition of classes requires a long, difficult and stubborn class struggle, which after the overthrow of the power of capital, after the destruction of the bourgeois state, after the establishment of the dictatorship of the proletariat, does not disappear (as the vulgar representatives of the old Socialism and the old Social Democracy imagine), but merely changes its forms and in many respects becomes more fierce."*⁵

The Trotskyites, Bukharinites and other traitors and wreckers met with defeat. The masses of militant workers and Party cadres united overwhelmingly behind the proletarian line of Stalin and the Party's Central Committee. The purges of the 30s, despite weaknesses and excesses, marked an even greater victory for the proletarian line. By 1939 it had become crystal clear that all openly disruptive and factional activity could and would not be tolerated. (For more information on this important period, we recommend the *History of the Communist Party of the Soviet Union (Short Course)*, published in 1939 and also Stalin's writings of the 20s and 30s especially his "The Right Deviation in the CPSU(B)."

But the bourgeois forces were bound to re-emerge in new garb. The Party leadership knew that the policy of buying off bourgeois experts could only be a temporary solution. It was necessary to further revolutionize the relations of production. So the Soviet Union began to train its own experts and managers recruited from the ranks of the workers and peasants. By the mid-30s, a new technical and administrative stratum had emerged, a group with greater loyalty to the revolution. But these new managers, technicians, officers and intellectuals were trained by the very bourgeois experts they replaced, picking up not only their expertise, but often their world view as well. And even more importantly, as we noted before, these new experts continued to occupy a class position which was, in a strict sense, petty bourgeois.

Thus, despite the class origin of the new experts and the fact that most were sincerely working to build socialism, there was a tendency for them to become isolated from the masses. Many began to expect the privileges of their former teachers, and often they tended to approach their work in pretty much the same way, in an individual rather than a collective fashion. They sought guidance and criticism mainly from those above them and put technical considerations ahead of politics.

The emergence of this new group coincided with the renewed threat of imperialist attack in the middle and late 30s. This threat created a need for the broadest unity of all classes, meaning that the non-proletarian strata, including the managers and experts, had to be brought into a broad national patriotic front. To achieve this it was not enough just to declare such a front, but for the Party itself to cement this unity, concretely giving real day to day political leadership to all the patriotic classes.

Just as in China during the new democratic phase of the revolution, when many individuals from the non-proletarian strata entered the Chinese Communist Party, often carrying with them certain elements of their class prejudices, so, too, the CPSU had to further open membership to people from the non-proletarian groups in order to continue leading the struggle. As early as 1936, when recruitment was resumed after several years' suspension, and especially after 1938, when the danger of war increased, large numbers of technical specialists and other intellectuals were welcomed as comrades.*

Most of these new members were experts of working class origin, and the new policy was no doubt essential in building the kind of national unity needed to defeat the Nazi invasion. Nevertheless, the policy of keeping technical and political authority separate had been seriously compromised. Inevitably, the individualistic outlook and style of work of the non-proletarian recruits penetrated the Party. Communists who had always looked upon technicians, managers and other petty bourgeois types with suspicion now found themselves working side by side with them in a common cause. It is hardly surprising that some lost sight of where unity ended and struggle began.

In fact, during the war period a new breed of Party leader was created in some places—one who in a businesslike and "practical" style emphasized the development of technique and expertise, and who downplayed politics with a certain contempt for theoretical principles. Though this did not mark this group as a new bourgeois center, such a mood was certainly one sign of difficulty.

This new attitude also stemmed from a general complacency that developed among certain Party cadres. The Soviet communists certainly had much to be proud of, but after the war many began to feel they could now rest a bit on past laurels. Some believed they deserved some special consideration and praise as a reward for services rendered to the revolution. They began to grow away from the masses and to lose faith in the ability of the workers to remold society.

Stalin had, in fact, warned against this tendency as early as 1937. Knowing that placing politics in command is the fundamental principle of Marxism-Leninism, Stalin criticized the fact that some "Party comrades have been totally absorbed in economic work... and simply gave up paying attention to such things as the international position of the Soviet Union, capitalist encirclement, strengthening of the political work of the Party..."⁸ At its 10th Party Congress in 1973, the Communist Party of China also warned against a similar situation arising in its Party committees, noting that such absorption in detail leads inevitably to revisionism. Stalin noted that successes also had their "seamy side." He warned that

*"the condition of successes—success after success, achievement after achievement, the overfulfillment of plans after the overfulfillment of plans—gives rise to feelings of carelessness and self-satisfaction, creates an atmosphere of showy triumphs and mutual congratulations which kill the sense of proportion and dull political instinct, take the spring out of people and impel them to rest on their laurels."*⁹

This, unfortunately, described the state of many Party members and leaders in the post-WW 2 period.

At this time, the Party line was basically correct, but in its application there were frequently deviations from the proletarian stand and method. Policies were increasingly implemented from above without mobilizing the initiative of the people. In the factories, for example, the Party exercised less and less control over management. Some Party members argued that the Plan could resolve any problems arising in socialist construction. Yet as the economy developed, planning mechanisms were themselves becoming more and more bureaucratic. Administrative methods adopted by necessity had become a hindrance to effective economic development and a roadblock to the development of mass initiative.

The proletarian response to the problem of bureaucracy was to revitalize the Party and mobilize the workers, involving the masses themselves as much as possible in the planning process. But the answer of the managers and technicians who provided a social base for those high Party officials increasingly influenced by bourgeois ideology was altogether different. These forces demanded a more "self-regulating" and "rational" economy, an economy governed by the capitalist law of value and not by the collective will of the working people.

Nikolai Voznesensky, Chairman of the State Planning Commission and member of the Party Politbureau, was the most forthright and bold exponent of this view.¹⁰ Although the Soviet economy was still to some degree governed by market demands and the law of value, much progress had been made in consciously organizing

*While no statistics were released for the Party as a whole, recruitment figures for two of the republics, published at the 18th Congress in 1939, show that new members from the "intelligentsia" and "office worker" categories formed 42.8-44.5 % as compared with 1.7% per cent in 1929. Between 1939 and 1941, available figures indicate that approximately 70% of all recruits came from the technical and managerial strata.

production in the interest of the working class. Certain products such as consumer necessities and basic industrial machinery were sold at prices far below their cost of production. Other goods, such as vodka or luxury items, were sold way above their cost in order to finance such "subsidies." Voznesensky, however, believed that the planning machinery and strict political control necessary to implement such policies would inevitably be bureaucratic and wasteful. This was because he had no faith in the ability of the working class to take control of production and regulate it themselves.

Voznesensky argued for a policy of "value balances", where the distribution and production of goods would be determined in a more "natural" way. In his view, prices should reflect the costs of production so that the law of value might then freely regulate production. Were goods, including heavy machinery and other means of production, to be priced according to their cost, Voznesensky argued, central political-administrative control would no longer be so burdensome, thus supposedly eliminating the basis for bureaucracy. Enterprises could be guided from above by purely economic levers. This argument prefigured by a generation Kosygin's 1965 capitalist economic "reform." It also indicates that the new revisionists shared with previous renegades the idea that the dictatorship of the proletariat can be divorced from the conscious class struggle and that socialism can gradually grow into communism by the action of spontaneous forces.

Voznesensky believed that socialism represents only the most rational and orderly organization of the economy through planning. He did not believe that planning had to be in the interests of the workers and politically controlled by them. When a rival economist put forward the view that post-war capitalism might stabilize itself by employing some planning techniques, Voznesensky criticized him for implying that capitalism could peacefully transform itself into socialism, completely ignoring the fact that planning by itself is not what differentiates the two systems. Moreover, by taking this seemingly "left" position, Voznesensky tried to establish his own reputation for "orthodoxy" so that some of his revisionist propositions pertaining to the Soviet economy might be more readily accepted.¹¹

Between 1947 and 1949, Voznesensky managed to put some of his notions into practice. His first move was a financial-reform which included a sharp rise in the retail price of many consumer necessities. This was followed by a reorganization of the central planning agencies which returned most quantitative planning (according to actual needs) to the local level, with the central Gosplan retaining only the ability to set quotas in monetary value terms. Then in 1949, Voznesensky proposed that production of producer goods (heavy machinery, etc.) be based upon sale at their price of production (in other words, at their "value").¹²

In response to this, Stalin argued that such a move would cripple Soviet economic development. Under capitalism the means of production are themselves commodities to be bought and sold by the capitalists. This means that their price is regulated by the law of value. As a result, only those producer goods which are profitable to produce can be sold. Under socialism, however, where the operation of the law of value is restricted, producer goods can be priced below their value and produced "unprofitably" but to the long-term benefit of the economy. As Stalin pointed out several years later, if the kind of line advocated by Voznesensky were correct,

"It would be incomprehensible why a number of our heavy industry plants which are still unprofitable and where the labor of the worker does not yield the 'proper returns', are not closed down, and why new light industry plants, which would certainly be profitable and where the labor of the workers might yield 'big returns', are not opened."

*"If this were true, it would be incomprehensible why workers are not transferred from plants that are less profitable, but very necessary to our national economy, to plants which are more profitable—in accordance with the law of value, which supposedly regulates the 'proportions' of labor distributed among the branches of production."*¹³

Not only would Voznesensky's proposal have crippled economic development, it would also have been a giant step in the direction of capitalist restoration. With the means of production priced at their "value", conscious regulation and planning would be increasingly difficult if not impossible. The means of production would then confront the workers as something alien to be bought and sold according to the needs of the capital market. In other words, the means of production would once again take on the character of capital.

Later that same year, Voznesensky's proposed Five Year Plan provided for further measures restoring autonomy to the individual enterprises and weakening the central planning apparatus. At this time, Stalin is reported to have said to Voznesensky: "You are seeking to restore capitalism in Russia."¹⁴

Voznesensky's ideas were not proposed in isolation. He spoke for a substantial segment of the economists, planners and managerial personnel. One of his most devoted followers was Minister of Finance, Alexei Kosygin, today Premier of the Soviet Union! In fact, it might even be said that the revisionist clique which took over the country in 1956 came from two sources: Khrushchev's Ukrainian political ap-

¹¹Voznesensky was soon dismissed from all his posts, arrested and executed. Though we don't mourn his death as do the social-imperialist leaders today, we recognize that a far more effective way of handling him would have been to publicly expose the class nature of his line while at the same time initiating mass criticism and struggle against it.

paratus (represented today chiefly by Brezhnev, who was Khrushchev's underling in the Dnieper valley) and Voznesensky's followers in the planning and managerial realm. Today, the Leningrad Institute for Finance and Economics has been renamed in honor of Voznesensky.

Stalin's dismissal of Voznesensky was also not an isolated incident. The Soviet communists were not unaware that bourgeois tendencies had come forward again during the war years. They knew that when the working class is on the defensive and in alliance with bourgeois forces, there is a tendency for communists to make "right" errors, just as in times of intense upsurge "left", adventurist, tendencies may take root. Led by Stalin, they launched a series of what might be termed "rectification movements" to restore the ideological and political fiber of the Party.

The war with Germany had left the ranks of the Communist Party severely weakened. Over three and a half million of the most dedicated and self-sacrificing Party members gave their lives in the fight against fascism, and by January 1946, only one-third of the Party's full and candidate members had been in the CPSU before the invasion.¹¹ The majority of the new recruits represented the most dedicated and selfless fighters against Nazism—it took courage to join the Party in those days, for the Germans took special pains to single out captured communists for especially brutal treatment. But sheer enthusiasm could not make up for real deficiencies in Marxist-Leninist education.

Thus, toward the end of the war it was decided to severely limit further recruitment, and emphasis was placed on the education and political consolidation of existing membership. This was formalized by an important Central Committee decision in July 1946. According to Malenkov, this decision "to sift admissions to the ranks more carefully, to be more exacting regarding the qualifications of applicants", was taken to counteract the discrepancy "between the numerical strength of the Party and the level of political enlightenment of its members and candidates."¹⁶

The new recruitment policy was coupled with renewed "purges" of Party members in the state and administrative apparatus, as well as by increased emphasis on ideological development. The famous "Zhdanovshchina"—a policy of strictly enforcing proletarian standards in literature and art, associated mainly with the Leningrad Party leader—Andrei Zhdanov—represented one aspect of this policy.

Another less celebrated campaign centered around improvement in the teaching of Marxist-Leninist political economy. This effort began as early as 1943, after the appearance of an important unsigned article on the subject in the theoretical journal, *Pod Znamenem Marksizma* (*Under the Banner of Marxism*).¹⁷ Such efforts continued throughout the post-war period right up to Stalin's death in 1953. During this period, the Communist Party and Stalin were searching for

the correct form through which the struggle against revisionism could be most effectively waged.

One other campaign of this period which should be mentioned was against "cosmopolitanism." This was directed toward combating the many bourgeois influences which had entered the Party and Soviet society from the West during the war. While generally aimed at remolding cadres and intellectuals, the campaign also exhibited an unfortunate anti-Semitic tendency. We do not know the source of this and other errors associated with the campaign. As we have seen, this was a period of very complex struggle conditioned by many factors which are even today only partly understood. Whether the campaign against "cosmopolitanism" played a productive role or not we cannot say. Nevertheless, it did represent an effort by the Party—perhaps distorted and sabotaged by opportunists at many levels—to fight against the influence of bourgeois ideology.

Stalin's most important move was to respond directly to the errors of the new revisionists. In 1952 his *Economic Problems of Socialism in the USSR*, was published, devoted to a detailed refutation of revisionism, specifically of thinking similar to Voznesensky's. This book represents a thorough summing up of the Soviet experience on the economic front, and was at once a powerful weapon in the struggle at hand and a valuable theoretical contribution to future generations.

Today, the concrete experiences of capitalist restoration in the Soviet Union and the development of class struggle under socialism, especially in China, have enabled Marxist-Leninists led by the Chinese and Albanian comrades to further develop and enrich the analysis laid out in Stalin's work. The main point that classes and class struggle continue throughout the whole period of socialism and the dictatorship of the proletariat—which is only implied in *Economic Problems of Socialism in the USSR*, has now been more thoroughly summed up and can be recognized as the key to a true understanding of the dynamics of socialist society.

Economic Problems consisted of several comments made by Stalin on the draft of a new political economy textbook which had been mandated by the Central Committee late in the war as part of the general campaign to heighten political consciousness. In his comments, Stalin argued that the law of value continues to operate under socialism but that its scope of application is limited. He held that although a planned economy had to take the law of value and the continued existence of commodity production into account, "the law of value cannot under our system function as the regulator of production."¹⁸ Socialism, instead, should move toward the complete elimination of commodity production and the establishment of products exchange based solely on human needs and not monetary exchange.

Although this presupposed a much more complete development of the productive forces, such development was not the only factor involved. Stalin emphasized that socialism must strive for "the maximum satisfaction of the constantly growing material and cultural needs of the entire population" and not just "the rational organization of the productive forces."¹⁹ The productive forces can only be developed with the continuous development, in a revolutionary direction, of the relations of production. By this Stalin meant that in the Soviet Union, it was necessary to progressively transform those sections of the economy still marked by remnants of capitalist forms. It was necessary to draw the collective farms ever closer to the state with the goal of changing these into state property, to begin eliminating the differences between town and country and to begin, particularly with producer goods, the direct exchange of products independent of the money economy. It was also necessary to continue to move in the direction of eliminating the distinction between mental and manual labor.

Economic Problems of Socialism was published shortly before the 19th Party Congress in 1952, and was used in a very extensive mass education campaign. This was the ideological basis for the political struggle being planned. Stalin had become convinced that the bourgeois elements, despite all the moves toward ideological rectification, were in positions of authority at all levels. Some were relatively open and easy to deal with like Voznesensky. But others were more clever, seeming to waver on various issues. These were political operators of consummate skill—people like Khrushchev. The difficulty Stalin confronted in flushing out these elements can be seen in an anecdote related by K.P.S. Menon, Indian Ambassador at the time, who visited Stalin on February 17, 1953, shortly before Stalin's death. During their conversation, Menon reported, Stalin began to doodle on a piece of paper, as was his habit. Menon noticed that Stalin repeatedly made drawings of wolves. Then he began to talk about wolves. Russian peasants, he said, knew how to deal with wolves. They had to be exterminated. But the wolves know this, said Stalin, and take steps to avoid extermination.²⁰

To unmask the real wolves, it was necessary to mobilize the masses in a great campaign of criticism and struggle. This, however, was not done. Right before his death, Stalin was planning a new "purge" campaign directed against the bourgeois elements. The wide circulation and use of *Economic Problems* seems to indicate that this movement would have had a mass character to some degree. Nevertheless, no movement did emerge, and during the entire post-war period the struggle basically remained within the upper reaches of the Party leadership. When Stalin died in March 1953, the wolves were still loose.

We want to pause here and assess Stalin's role in this whole struggle. Many people, including many honest anti-imperialists seriously studying

and attempting to master Marxism-Leninism, believe that Stalin should himself bear much of the blame for the revisionist takeover. After all, they argue, Stalin couldn't have been doing such a good job if only three years after his death many of his own associates went rotten and the whole country was handed over to revisionism. While agreeing that the Soviet Union has taken the capitalist road, and acknowledging that the events of 1956-1957 do mark a major turning point in that process, such people still emphasize what they see to be continuities between the Stalin era and the new period of patently bourgeois rule.

Let us make it clear. We believe that the Stalin question and the question of Soviet revisionism and social-imperialism are two *different* questions, both of which are important to the world communist movement. We recognize that the two are inter-related and that a clear understanding of Soviet revisionism, particularly with respect to its origins and rise to power, also demands some understanding of the Stalin question. But we do *not* believe that this inter-relationship is a strictly determinate one: the Stalin era did not *cause* the revisionist takeover. Soviet social-imperialism grew from the soil of the Stalin era, from the particular contradictions and struggles that exist under the dictatorship of the proletariat and assume the forms we have discussed during the period of socialist construction under Stalin's leadership. But many more things also took root in this soil, some good, others not so. To understand where the healthy flowers of workers' power, industrialization, economic planning, collective agriculture, lost out to the weeds of revisionism and capitalism is the very difficult task at hand.

In *Red Papers* I we wrote:

*"Stalin is the bridge between Lenin and Mao theoretically, practically, and organizationally. The successes of the world proletarian and people's movements are a part of our history, and they are our successes, they are the successes of our class. The mistakes and errors must also be ours. We admit the mistakes of our class and its leaders, try to correct them or, failing that, try to avoid repeating them. But we will not disassociate ourselves from these errors in the opportunist manner of many bourgeois intellectuals and armchair revolutionaries."*²¹

We still hold to this position.

Stalin did make a number of mistakes. No leader of any class, any nation, any movement can claim to not have also done so. Many of these mistakes were products of historical conditions more powerful than any one man; products of the whole backwardness of Soviet society, of the brutal and menacing imperialist encirclement, and of the savage Nazi invasion. These factors forced upon all Soviet communists, and not just Stalin, a brutal choice: move forward in ways for which the future will exact a heavy price or fail

to move forward at all. To their great credit, the Soviet communists, workers, peasants and revolutionary intellectuals, and, at their head, Stalin, never hesitated, never wavered in their choice.

Other mistakes were clearly avoidable and stand in part as Stalin's personal responsibility. The principal error from which all others stemmed was Stalin's theoretical failure to recognize how class struggle continues under socialism. In 1939, during his report to the 18th Congress of the CPSU(B), Stalin made the following statement:

*"The feature that distinguishes Soviet society today from any capitalist society is that it no longer contains antagonistic, hostile classes . . . Soviet society, liberated from the yoke of exploitation, knows no such contradictions, is free of class conflicts, and presents a picture of friendly collaboration between workers, peasants and intellectuals."*²²

This was a serious error.

Yet Stalin continued throughout this period to argue against "the rotten theory that with every advance we make the class struggle here of necessity would die down more and more, and that in proportion as we achieve success the class enemy would become more and more tractable."²³ In opposition to his theory, Stalin argued that the nearer to communism the workers came, the more desperate would their enemies be and resistance would in fact become sharper. But Stalin did not clearly identify this resistance as part of a class struggle between the bourgeoisie and the proletariat. Instead he singled out "remnants of the broken classes"²⁴ as the source of resistance. By themselves such remnants could only make feeble attempts to sabotage and wreck socialist construction, as in the Shakhty case. But "while one end of the class struggle has its operation within the bounds of the USSR, its other stretches to the bounds of the bourgeois states surrounding us. The remnants of the broken classes cannot but be aware of this."²⁵

Thus, Stalin pointed also to the continuation of capitalist encirclement as another source of resistance, singling out foreign agents, spies and individual traitors as the key enemy. Such forces did exist and, aided by ex-landlords and capitalists, they did do considerable damage. But these were not the main enemy and their identification as such tended to disarm the vigilance of the workers and led many to leave responsibility for the struggle with the security organs, allegedly better equipped for such forms of combat.

Though Stalin never in fact abandoned the class struggle, his lack of clarity on the precise nature of the enemy weakened the proletariat. Further, though Stalin argued forcefully (and correctly) that the law of value continues to operate under socialism, he did not draw the correct conclusion from this—that capitalist production rela-

tions must then also exist in some (often) hidden forms. And from this, that an actual capitalist class complete with political agents *inside* the Communist Party must also exist.

Linked to this was Stalin's tendency to place too much weight on development of the productive forces and not enough emphasis on revolutionizing the relations of production. Although Stalin led the struggle against the opportunist policies of revisionists like Voznesensky, he still tended to believe that the transformation of Soviet society would mainly occur through the rapid development of production.

In his classic work, *Dialectical and Historical Materialism*, Stalin put forward the erroneous thesis that in the Soviet Union, "the relations of production fully correspond to the state of the productive forces."²⁶ This tended toward the abandonment of conscious revolution and encouraged the masses to view the simple development of production as the answer to all difficulties. The same line was put forward by Stalin in *Economic Problems of Socialism*, but here he also cautioned that "it would be wrong to rest easy at that and to think that there are no contradictions between our productive forces and the relations of production." This statement would seem to indicate that Stalin did understand the problem but that he failed to fully grasp the key role of class struggle here. Thus, in 1938 Stalin even argued that "the productive forces are not only the most mobile and revolutionary element in production, but are also the determining element of production."²⁷ While it is true that society cannot advance beyond the limits set by the development of the forces of production, this development does not by itself drag the relations of production forward. Class struggle and conscious revolution are necessary and fundamental. While Stalin recognized that this was the case in all previous societies, he did not fully grasp the extent to which this was true under socialism as well.

Because of these errors Stalin failed, almost from the beginning, to develop the means and forms for the workers themselves to be increasingly involved in initiating and working out the planning process and not just fulfilling its tasks. As we have already pointed out, the Soviet communists were somewhat lax in struggling to overcome the division of labor inherited from capitalism. To a very great extent this was pressed upon the Party by objective conditions. Forced to make concessions to the managers and technicians for political reasons, the workers were not so readily in a position to struggle over economic control. Yet the system of "one-man management", where administrative responsibility for all economic units was placed in the hands of single individuals, was surely a mistake. This kept the workers in a passive position and tended to depoliticize and demobilize mass initiative.

Marxist-Leninists do not advocate any kind of "workers' control" which is not based on the prior, firm establishment of central proletarian

political authority, that is, on the smashing of the bourgeois state and the establishment of the dictatorship of the proletariat. And then revolution in the relations of production at the factory level must be the product of a lengthy period of conscious class struggle. However, we still recognize that for workers to be involved in the management and planning of their own factories within the guidelines of a central state plan, new forms reflecting the rising socialist relations of production must be developed. The system of Revolutionary Committees combining experts, rank and file workers and party militants which was developed at a crucial stage of the Cultural Revolution in China, represented an advance in developing such forms and reflected a summing up of the "one-man management" experience.

Finally, Stalin did at times fail to recognize the difference between a contradiction among the people and a contradiction between the people and the class enemy. Despite his theoretical proposition that antagonistic classes no longer existed in the USSR, Stalin's strong class stand and his long revolutionary experience taught him to smell a rat when it was there. But without the full recognition that such rats come forward as part of the continuing struggle of antagonistic classes still existing within the Soviet Union, the correct method of mass struggle, conscious class struggle of the working people, could not be fully developed as the means for defeating the political and ideological lines of the representatives of the bourgeoisie.

And along with this developed the tendency to treat an unconscious dupe as harshly as the most responsible culprit. The method of "treating the patient to cure the sickness" was often not followed. As a result, people who could have been won over were lost. To the degree that this happened, it also had the effect of discouraging people from being up front with their politics and bold with their proposals out of fear that a single error might have disastrous consequences.

Overall, however, these errors are far outweighed by Stalin's many achievements and by the concrete gains made by the Soviet workers and people under his lead—in particular, the building of socialism and strengthening of the dictatorship of the proletariat through a very complicated series of struggles inside and outside the Party, the step-by-step collectivization of agriculture, a monumental task carried out successfully with no historical precedent, the heroic defeat of the Nazis and the many contributions to the cause of world revolution.

We must distinguish between two kinds of wrong policies. There are the policies of people like Khrushchev and Brezhnev aimed at destroying socialism and restoring capitalism. And then there are policies, such as Stalin's, which are really in the opposite camp—policies aimed not at restoring capitalism but at defending proletarian rule and building socialism, which nevertheless did not carry out the class struggle as effectively as

possible. revisionism and capitalist restoration can never be simply the product of one man's errors, but rather of class struggle.

While Stalin's mistakes meant that the struggle of the proletariat against the capitalist roaders was not waged as successfully as it has been in China, which has the advantage of learning from the Soviet experience, it must also be strongly stressed that at every stage, especially in the critical period of 1945-1953, it was Stalin himself who led the fight against capitalist restoration. That Stalin was unable to find the correct form to mobilize the masses in struggle to defeat the capitalist roaders is tragic but hardly a basis for his condemnation. In summary, then, we believe it is clear that Stalin played an overwhelmingly positive role in the fight to advance the socialist revolution and against revisionism and capitalist restoration in the Soviet Union.

With Stalin's death begins the second stage in the restoration of capitalism in the Soviet Union, the period of intense class struggle under so-called "collective leadership." This period saw the rise to undisputed leadership of Nikita S. Khrushchev, the chief revisionist of them all. Khrushchev had worked almost exclusively as a Party official and as such was most capable of leading the capitalist coup. The son of a Ukrainian coal miner, he joined the Bolshevik Party in 1918, fought briefly in the Civil War and afterwards attended the "rabfak" (workers' college) in Kiev. In 1929 he was sent to Moscow to study at the *Promakademiya* (Industrial Academy) where he became Party Secretary.

In 1931 Khrushchev rose to district secretary, and at the beginning of March 1935 he was appointed First Secretary of the Moscow District and City Party Committee. On January 30, 1937, when the announcement of the verdict in the trial of the Trotskyites was made, Khrushchev, who was later to call Stalin a "20th Century Ivan the Terrible", told 200,000 people at a Red Square rally that "These infamous nonentities wanted to break up the unity of the Party and of Soviet power ... They raised their murderous hands against Comrade Stalin ..." He finished with the words: "Stalin—our hope, Stalin—our expectation, Stalin—the beacon of progressive mankind, Stalin—our banner, Stalin—our will, Stalin—our victory."²⁸ In January 1938, Khrushchev became First Secretary of the Ukrainian Party and at the 18th Congress he became a full member of the Politbureau.

In the Ukraine, Khrushchev developed into something of an agricultural "expert." Before the war he had already revealed a "pragmatic" and empirical outlook with the successful promotion of measures aimed at raising material incentives and personal responsibility for collective labor, recruiting more experts into the central agricultural agencies, and granting some independence to farm technicians.²⁹

After the war agriculture emerged as a real problem area in the economy. This was due to several factors. First was the very primitive

agricultural economy inherited from tsardom. Second was the tremendous destruction of farm capital goods (buildings, plows, tractors, horses, etc.) during, first, WW I, revolution and civil war, then kulak resistance to collectivization, and finally by Nazi invasion. A third reason was inadequate investment in agriculture (12-14% of total investment) due to demand for military hardware and industrial producer goods. Even so, tractor power (in terms of horsepower) grew by about 36% between 1940 and 1950, a period which, of course, includes the invasion years.³⁰

Yet it was still clear that agricultural production had to start catching up. Two lines on how to do this emerged. One, the proletarian line of Stalin, called for an increased emphasis on collective labor, political agitation and education, and, where possible, a transition from collective to more advanced state farms. The other line called for greater material incentives coupled with increased emphasis on the development of private holdings and enhanced autonomy and payment for on-the-spot technicians to encourage the employment of bourgeois experts who could "better explain" to the peasants how to do what they had been doing for generations.³¹

These proposals were first advanced by Voznesensky, but he was soon joined by Khrushchev who was already experimenting with similar ideas in the Ukraine. Stalin opposed these measures, but not enough information is available for us to explain why he was as yet incapable of preventing their enactment. However, they were initiated and smaller work teams, often consisting of single families, became the principal unit of collective labor. The countryside was engulfed with private enterprise farming. The rich peasants who were still a considerable force and continued to constitute a social base for capitalist restoration, took advantage of the situation. During the war they had formed the main support for anti-Soviet, pro-Nazi puppet groups in the Ukraine. During the confusion of invasion and counterattack, they managed to grab additional private land.

With the exposure of Voznesensky, Stalin revoked these concessions to individualist tendencies and returned to his original position. Khrushchev, Voznesensky's ally, was recalled to Moscow. But his personal "machine" in the Ukraine was not dismantled. And his Moscow appointment to the Central Committee Secretariat in the long run only increased his power and influence in the Party. While continuing to hold to his bourgeois views in private, he was at the same time building up his own personal network of control. He was thus able to turn his dismissal from agricultural responsibilities to his advantage by using a new post in the Party to gain influence and prestige.

Khrushchev, then, was in an advantageous position. In sympathies, outlook and style he was linked closely with bourgeois forces among the bureaucrats, upper level managers, and corrupt

Party officials. But as a Party man *par excellence*, he was relatively free of narrow sectional interests. In short, he was the right man in the right place at the right time. With lightning rapidity, all the various bourgeois and many wavering forces fell in behind him. A rival bourgeois headquarters had emerged. And as the struggle developed, Khrushchev proved to be the most brazen and unflinching champion of the bourgeois takeover.

By 1956, Khrushchev was able to win over a majority of the Central Committee to his views. At the 20th Party Congress in 1956, he launched his vicious attack on Stalin, calling him "a coward, an idiot, and a dictator." This was designed to accomplish two things: first and foremost, to sow confusion in the ranks of honest communists by launching what was, in essence, an attack on the dictatorship of the proletariat; and second, to signal to his fellow capitalist roaders and his bourgeois class base that the tide had turned and it was safe to crawl out from the woodwork.

But this attack on Stalin also called forth opposition. In the spring of 1957, a showdown came. V.M. Molotov and L. Kaganovich were able to assemble a majority in the Politbureau against Khrushchev. In fact, the majority may have been overwhelming. But Khrushchev, as ever a wily fox, held a hidden card. This was the support of the notoriously self-seeking and individualistic Defense Minister, Marshal Zhukov. When Zhukov apparently indicated that he would oppose the Politbureau majority with armed force, the more vacillating allies began to reach for a compromise. Soon Khrushchev had the majority. Molotov, Kaganovich, Malenkov and Shepilov were expelled as the so-called "anti-Party group." Bulganin and Voroshilov were to follow in the not too distant future. As for Zhukov, Khrushchev, seeing in him a future rival, dumped him too.³²

The members of the "anti-Party group" failed to bring the struggle out of the Politbureau and to the masses. While Stalin was alive, his recognized and well-merited prestige was a strong weapon against the revisionists; but the failure to develop mass forms was telling indeed. We do not know all the circumstances which prevented the proletarian forces from bringing the struggle into the open, developing mass action. Nor are we clear on exactly who did represent the proletarian line. Nonetheless, it can be stated that this failure was a major factor contributing to the revisionist takeover.

Even so, many workers could sense that something was wrong. Several instances of workers spontaneously quitting work and demanding an explanation of the expulsions have been documented, most particularly a stoppage at an electrical appliances plant in Kursk.³³ In Georgia, Stalin's birth place, there were riots. In other areas workers openly insulted the new leaders.

The seizure of power in 1956-57 by the bourgeois headquarters led by Khrushchev marks

the crucial turning point in the restoration process. It was at this juncture that political power passed out of the hands of the proletariat and into the hands of the bourgeoisie. The re-establishment of fully capitalist relations of production was now inevitable, for it is impossible for a bourgeois political line to lead society in any direction but that of capitalism. But first, of course, socialism, built carefully for 40 years, had to be destroyed. Thus began the third stage in the restoration. This was the period of the wrecking of socialism which extended to the fall of Khrushchev in 1964.

Of course, the first move in destroying socialism was Khrushchev's ideological attack on the political basis of proletarian power, Marxism-Leninism. This attack took three forms. First was his vicious condemnation of Stalin. Basically this was an attack on 30 years of working class rule. Idiots don't guide the building of powerful industry from scratch and cowards don't lead in defeating Hitler. Nor would a tyrant have led the poor peasants in collectivizing agriculture.

The second attack was the doctrine of the three peacefuls: peaceful coexistence, peaceful competition, and peaceful transition to socialism. According to Khrushchev, the world had now changed. The existence of nuclear weapons meant that everything had to happen without violence, including and especially people's revolution. Lenin's principle of peaceful coexistence between different social systems, adopted as a correct tactic for socialist countries surrounded by a capitalist world, was now interpreted as the key to strategy in foreign policy.

Instead of aiding and encouraging the world revolutionary movement, the Soviet Union now asked the revolutionary people of the world to sit back and wait while the Soviet Union peacefully competed with the U.S. In this competition the obvious economic and political superiority of the Soviet system would somehow mystically ensure that one day other people could also be free. This bankrupt policy meant abandonment of the struggle against imperialism, abandonment of the struggles for national liberation and socialism. It meant that Communist Parties around the world would become reformist parties and that the Soviet Union, formerly the great rear base area of the world revolution, would now be the great collaborator, and world rival, of world imperialism.

But the greatest of Khrushchev's self-styled "creative developments of Marxism-Leninism" was his theory of "the state of the whole people" and "the Party of the whole people". Khrushchev asserted that the dictatorship of the proletariat was no longer necessary in the Soviet Union. This goes counter to everything Marxism-Leninism has summed up about the state. As long as society remains divided into classes, the state is an instrument for one class to impose its will on all others and to keep class warfare in hand. Of course, as long as there have been exploiting classes they have tried to cover this up

with a lot of junk about divine right of kings or parliamentary democracy. Only the working class, because it represents the majority of the people, can come straight out and call its rule the Dictatorship of the Proletariat. In fact, the theory of "the state of the whole people" was a cover and a giveaway for the fact that a bourgeois stratum, a handful of capitalist roaders, had usurped power from the working class.

Once this ideological offensive had been mounted, Khrushchev was in position to launch attacks on the very structure of socialist society. And as an agriculture "expert", Khrushchev's very first accomplishment was the complete sabotage of collective agriculture. It is not surprising that he focused his attack here—for, as Lenin persistently noted, the worker-peasant alliance was in fact the fundamental basis of proletarian rule in the USSR. And this was the most vulnerable area since collectivized agriculture represented a lower form (than state property) of social ownership.

Khrushchev set about destroying the collective farm system, which accounted for most agricultural production. These collective farms are a lower form of social property than state farms. They involve large numbers of farmers who own and work farm lands cooperatively and sell their products to the state. It had always been the aim of the state to draw these collectives closer to it, and where possible to replace them with state farms. The chief mechanism used in this was the state-owned Machine Tractor Station (MTS) network which provided the use of up-to-date agricultural machinery as well as offering agronomic and often political guidance to the collective farms. In *Economic Problems of Socialism*, Stalin, specifically argued against any attempts to break up these stations, as proposed by some of Voznesensky's followers.

But in 1957 Khrushchev decided to abolish this important institution. He ordered the sale of all MTS property to the collectives at bargain basement prices. This, of course, aided the wealthier collective farms at the expense of the poorer ones and destroyed the basis for any far-reaching and equitable technological development. It also cut loose the collectives from the control of central planning authorities, thus strengthening the anarchic capitalist element of the economy, and similarly increasing the influence of bourgeois experts and managers within each collective.

Khrushchev denied that there was any difference between collective and state farms. The few state farms which existed before 1958 represented only the most advanced units, economically and politically. But with the breakup of the MTS, Khrushchev decided that the weakest and most backward collectives, those who could not afford to buy their own machinery, would have to become state farms. These state farms were really being put into a position similar to that of a welfare recipient. Unable to make it "on their own", they were put

on a kind of state dole under which they could slowly but surely stagnate.

At the same time, Khrushchev encouraged the development of wealthy collective farms and within these collectives acted to strengthen the position of the collective farm chairmen and other officials. The result was, as Khrushchev had planned, that people left the state farms for the cities. Thus, the state farm system was undermined and the spontaneous forces of capitalism unleashed in the stronger and more developed collectives. Khrushchev's policy was really but a new variant on the "wager on the strong" advocated by the tsarist Minister Stolypin back in 1908 and by the renegade Bukharin in the late 20s. Where Stolypin and Bukharin relied on the few rich peasants to develop agriculture at the expense of the masses of poor peasants, Khrushchev sought to rely on a small number of wealthy collective farms.

And as if this were not enough, during the years 1953-1959 rural capitalism received a further impetus by drastic relaxation of restrictions on private plots, private livestock and of work requirements in the collective fields. By 1966, according to the Soviet apologist Pomeroy, private production on only 3% of cultivated land accounted for 60% of potatoes, 40% of meat and green vegetables, 39% of milk and 68% of eggs.³⁴

Having crippled socialist agriculture, Khrushchev turned to central planning itself. In one stroke he shut down the central planning ministries and placed their responsibilities in the hands of more than a hundred scattered, but equally bureaucratic, regional ministries known as economic councils. This was, of course, all done under the guise of anti-bureaucracy and local control, but what happened was that local self-interest dominated over careful, coordinated planning, expertise over political direction. The door was opened for the whole economy to be "rescued" from this chaos by reintroduction of that great "regulator": Profit.

But none of these attacks could have been successfully carried through had Khrushchev and Company not managed to capture and destroy the Communist Party. Their expulsion of loyal proletarian leaders was merely a prelude to a massive purge of honest communists at all levels. Nearly 70% of the Central Committee members elected at the 19th Congress in 1952 were out by the 22nd in 1961, while an additional 60% of those elected in 1956 were gone by 1966. This reflected an even greater purge at lower levels, particularly in the plants. For example, between 1963 and 1965, 100,000 were expelled, and over 62,800 were kicked out in 1966 alone!³⁵

At the same time, Khrushchev moved to open the Party to people who did not represent the advanced detachment of the proletariat, but instead would be used as a social base for socialism in words, capitalist restoration in deeds. Khrushchev's policy was the direct opposite of Stalin who purged capitalist elements from the Party and led the Party in recruiting staunch

representatives of the proletariat.

Almost immediately after Stalin's death, Khrushchev moved to lift the restrictive recruitment policy which had been followed by the Party since the war. Between 1953 and 1965 Party membership grew by over 70%, by far the greatest increase in its history.³⁶ Although this massive enrollment campaign was in numerical terms directed mainly to the recruitment of workers and peasants, its implications, however, were profoundly reactionary.

Under Lenin and Stalin only the most advanced workers, those who had distinguished themselves in the class struggle and who showed in practice a grasp of the fundamentals of Marxism-Leninism, became Party members. And due to the supervision of technical and managerial work by the Party, a great percentage of Party militants—many of them ex-workers—were employed in the Party and Government bureaucracy. Stalin, in fact, spoke often of the drain this placed on the Party's resources.

Khrushchev, however, set out to destroy completely the system of separation between political and technical authority developed by Lenin and Stalin. Among administrators and Party leaders, technical skill replaced political orientation as the main criterion for membership. As one close observer of Party recruitment patterns has noted, there emerged "a marked trend in favor of professionally trained specialists and at the expense of line officials and clerical staff."³⁷

Evidence of this trend abounds in Party literature as well as in enrollment figures. The Khrushchev years saw a coordinated campaign to replace leading figures with new-type "experts". It was stipulated in some places that "only a Party member with a technician or engineer's certificate can be elected secretary of a Party branch."³⁸ Elsewhere *Pravda* noted favorably that "more and more engineers and designers have become secretaries of Party committees."³⁹ Whereas in 1956 only 38.9% of all "white collar" recruits were technical specialists, scientists, engineers, educators or doctors, by 1967 58.5 per cent fell into this category.⁴⁰ Such statistics take on added significance when it is noted that, according to one estimate, among every three engineers and technicians there is one Party member, but only one among every 17 or 18 workers.⁴¹

In other words, Khrushchev decided that the Party needed to be a Party of practical-minded experts. So he kicked out all the Stalinist "bureaucrats", "rabble-rousers", and propagandists. Where in the past the Party used to supervise technical and managerial work from without, it was now called on to take on these tasks itself, to abandon politics and develop expertise. In doing this an artificial division of functions was instituted at the local level between "industrial" and "agricultural" responsibilities.⁴² Cadres were overloaded with administrative and technical chores. The Party was paralyzed at the base and cut off from the masses. It became a

Party led by and serving technocrats managers and bureaucrats, a privileged stratum, an effective political representative of the bourgeoisie.

But of course all this was carried out under the guise of fighting bureaucracy. Here the increased recruitment of workers and peasants played an important role. The main goal was to disguise the change in political line under cover of "further developing ties with the masses." But in fact most of the new workers recruited were selected with no regard for their political stand and ideological development. This served to flood the Party with ideologically unprepared members at a crucial turning point in its political history. As a result, centers of opposition could be broken up, confused and demoralized and the Party was transformed from a militant vanguard of the proletariat into an organizer for the bourgeoisie, relying not on winning people to an advanced political understanding but on a combination of coercion and cooptation.

Moreover, of those workers recruited many entered on the basis of technical promise. These were almost immediately promoted to managerial positions (for which Party membership had now become a requirement) or were shipped off to technical institutes for further training. In addition, a significant percentage of those recruited as "workers" were actually foremen.⁴³

On the collective farms a dramatic change was also evident. Here the percentage of Communist Party members "directly engaged in production" increased from 66.7% in 1956 to 82.7% by 1965, although these figures are somewhat distorted by their failure to indicate the ratio of supervisory to genuinely productive personnel.⁴⁴ The thrust of this policy, as elsewhere, was anything but proletarian, appearances to the contrary. The new pattern of recruitment revealed that the Party had now chosen to abandon its position of proletarian *political* leader in the countryside. The new Party members were instead given the role of organizers of production under the leadership of capitalist-oriented collective farm chairmen* and bourgeois experts who were at the time streaming onto the farms from the recently dissolved MTS. (More on this later.)

Having robbed the working class of its political vanguard, Khrushchev set out to promote trade unionism among the workers. One of the most fundamental principles of Marxism-Leninism is that the proletariat cannot free itself from exploitation and oppression without *political* organization, without a party of its own. Trade unions, primarily defensive organizations concerned with the economic struggle, cannot lead the working class in the struggle for its complete emancipation since they do not really challenge the fundamental distribution of power under

capitalism: they fight for higher wages, not for the abolition of wage labor; for better working conditions, not for the complete transformation of the relations of production; and for a greater political voice for the working class, not for the dictatorship of the proletariat. As Lenin put it bluntly in *What is to be Done?*, the spontaneous ideology of trade unionism is bourgeois ideology.

That is why, under the dictatorship of the proletariat, the Party, representing the overall interests of the proletariat, must continue to play the leading role in guiding both the work of running the economy and raising the political consciousness of the masses.

Under socialism trade unions continue to exist, not only to defend the interests of the workers against bureaucratic abuses, but in Lenin's words, to serve as a "school of administration, school of management, and school of communism," which unites large numbers of workers under Party leadership. When the Soviet Union was still a socialist country, the main efforts of the trade unions concerned raising production. Today the Chinese have learned that trade unions can also be effective schools of Marxism-Leninism and that their main task under socialism must be the political education of the working class.

Production is important, but as the Chinese put it, this can only be carried out in a socialist way under the slogan, "Grasp Revolution, Promote Production." In the Soviet Union under socialism the negotiations of collective contracts between the enterprise and the union were not an exercise in bargaining, but a way of educating the workers about the goals of the Plan and of mobilizing them to fulfill it. Class struggle was not absent, but it took very different forms from those typical of capitalist labor-management relations.

Since Khrushchev, the trade unions have been called upon to focus their attention on more traditional defensive functions: agitating for better working conditions, housing, etc. With the reorganization of the Party and with the restructuring of the national economy along regional lines, the 22nd Party Congress in 1961 declared that "the rights and functions of the trade unions in the decision of all questions touching the living interests of the working people had significantly widened."⁴⁵ And the 1967 anniversary theses declare that "the further consolidation of the trade unions and the enhancement of the role they are playing in the life of Soviet society constitute an important condition furthering the building of communism."⁴⁷

What this actually meant was that the political horizon and field of action of the working people had been significantly narrowed. The flood of complaints about working conditions which followed the "strengthening" of the trade unions indicates the growing sense among the workers that they were no longer basically in control of the means of production and of the state—they

*In 1953, 80% of collective farm chairmen were CP members. In 1956 this had risen to 91% and to 94% in 1959. By 1965 all but a handful of collective farms were chaired by CP members.⁴⁵

also indicate a total alienation from the Party.

Seeing the spontaneous struggle of the workers against deteriorating conditions, the revisionists sought to channel and contain this struggle within narrow economic bounds. Today the trade unions serve to focus the attention of workers on "the basic problems of production"

seeking to develop "advanced methods of organizing production and labor."⁴⁸ In other words, while diverting the workers from political struggle, the trade unions whip the workers into shape for the further development of capitalist production.

1. *History of the Communist Party of the Soviet Union*, p. 292.
2. J.V. Stalin, "Mastering Bolshevism" (1937).
3. Stalin, "Mastering Bolshevism."
4. *HCPSU*, p. 284.
5. Stalin, "The Right Deviation in the Communist Party of the Soviet Union".
6. V.I. Lenin, "Greetings to the Hungarian Workers", *Collected Works*, Vol. 29, p. 389.
7. Leonard Schapiro, *The Communist Party of the Soviet Union*, p. 442-3.
8. Stalin, "Mastering Bolshevism".
9. Stalin, "Mastering Bolshevism".
10. Information on Voznesensky obtained mainly from the following: Wolfgang Leonhard, *The Kremlin Since Stalin*; Robert Conquest, *Power and Policy in the USSR*; and Sidney Ploss, *Conflict and Decision-making in Soviet Russia*.
11. The rival economist was Eugene Varga.
12. See Conquest, pp. 95-111.
13. Stalin, *Economic Problems of Socialism in the USSR*.
14. Leonhard, p. 177.
15. T.H. Rigby, *Communist Party Membership in the USSR, 1917-1967*. Princeton, 1968, p. 275-6.
16. Quoted in Rigby, p. 283.
17. *Pod Znamenem Marksizma*, July-August, 1943. This was translated into English and published in the U.S. under the title *Political Economy in the Soviet Union*.
18. Stalin, *Economic Problems of Socialism in the USSR*.
19. Stalin, *Economic Problems* . . .
20. Leonhard, *The Kremlin Since Stalin*, p. 49.
21. Red Papers I, p. 15.
22. Stalin, "Report to the 18th Congress of the CPSU(B)."
23. Stalin, "Mastering Bolshevism".
24. Stalin, "Mastering Bolshevism".
25. Stalin, "Mastering Bolshevism".
26. Stalin, *Dialectical and Historical Materialism*.
27. Stalin, *Dialectical and Historical Materialism*.
28. *Pravda*, January 31, 1937.
29. See Ploss, *Conflict and Decision-Making in Soviet Russia*, pp. 30-58.
30. Ploss, p. 26.
31. See Ploss, Chapter I.
32. Leonhard, pp. 242-5.
33. Leonhard, p. 251.
34. William Pomeroy, *50 Years of Socialism*.
35. In addition, Khrushchev admitted to some 200,000 expulsions between the 20th Congress in 1956 and the 22nd in 1961. All figures from Rigby, *Communist Party Membership* . . . , pp. 309, 322.
36. Rigby, p. 300.
37. Rigby, p. 337.
38. *How the Soviet Revisionists Carry Out All-Round Restoration of Capitalism in the USSR*, Peking, 1968, p. 60.
39. *How the Soviet Revisionists Carry Out All-Round Restoration of Capitalism in the USSR*, Peking, 1968, p. 60.
40. Rigby, p. 338.
41. *How the Soviet Revisionists* . . . , p. 61.
42. See Leonhard.
43. Rigby, p. 330.
44. Rigby, p. 336.
45. Rigby, p. 334n.
46. *New Program of the Communist Party of the Soviet Union*, 1962.
47. *50th Anniversary Theses of the Communist Party of the Soviet Union*.
48. I. Lazarenko, "Labor Remuneration, Labor Incentive Funds and Soviet Trade Unions"

III. THE SOVIET ECONOMY UNDER BREZHNEV AND KOSYGIN: THE FULL ESTABLISHMENT OF CAPITALIST RELATIONS OF PRODUCTION

1) The Fall of Khrushchev

While Khrushchev was very effective at wrecking socialism, his free-wheeling, shoe-banging style was actually quite ineffective at establishing a functioning capitalist economy.

Take his reform of planning, which placed effective direction of the economy in the hands of regional Economic Councils. These Councils put the interests of "their own region" and its enterprises above the needs of the national economy as a whole. They hoarded raw materials and industrial goods produced in their regions.

Two striking examples of this are found in the June 6, 1963 *Pravda*. The article reports that the Uzbekistan Chemical Machinery Plant had failed to supply 162 units ordered by what then passed for the national plan. What was the problem? The plant was too busy producing for unplanned orders placed by its Economic Council. Similarly, the Nizhny Tagil Metallurgical Combine shipped 33,000 tons of the above-plan metals to its republic chief supply administration in 1962, totally ignoring the plan for other deliveries. It is easy to see how this sort of thing resulted in chaos and a near breakdown of production in some areas and industries.

Now, while this was a clear triumph of the bourgeois principle of "Me First", and was a reflection of the fact that capitalist forces had been "let loose", Khrushchev's "reform" had not gone far enough! While proletarian ideology and centralized planning had been thrown out the window, the capitalist principle of *production for exchange at a profit* had not been firmly established in the revamped Soviet economy.

With the further development of capitalist relations, the Economic Councils would have made aggressive attempts not only to assure their own supplies, but to penetrate and corner the markets of other regions as well. Under those conditions, an economic crisis would have resulted from a glut of goods on the market—goods which could not be sold profitably, not from the hoarding of what had been produced. But the bureaucrats and managers continued to be judged and rewarded on the basis of the gross output of their region or plant, regardless of whether it was profitable and whether it was even sold!

Khrushchev's agricultural policies were also

plagued with inconsistency. As we have seen, he made a brilliant start towards restoring capitalism in agriculture during the years 1953-1959. But after the first year or so of the Seven Year Plan (which began in 1959 only to be interrupted by the Brezhnev-Kosygin palace coup), Khrushchev reversed himself. Faced with a severe grain shortage, he cut back on the amount of land which could be allotted to private production, and put pressure on the farmers to sell their livestock to the collective farms. Investment in the agricultural sector by the state was slashed, while quotas for deliveries to the state jumped.

Since Khrushchev's earlier agricultural policies had abandoned socialist principles and dealt a body blow to the worker-peasant alliance, it should come as no surprise that his new attempt to "tighten up" was met by passive resistance on the part of the collective farms. Production—particularly of meat and dairy products—dropped severely. A series of "get-rich-quick" schemes designed to ease the agricultural crisis—the Virgin Lands development in Central Asia (about which more later) and the substitution of U.S.-style maize for traditional grain crops—only aggravated the situation.

By 1963, the agricultural crisis had become so grave that Khrushchev was forced to make massive grain purchases from the U.S. and Canada. When Brezhnev, who had been Khrushchev's right-hand man in the first years of the Virgin Lands scheme, ousted his boss a year later, he condemned Khrushchev's agricultural policies as "harebrained." The recourse to the capitalist world market to obtain food figured prominently in Brezhnev's catalogue of Khrushchev's incompetence and mismanagement of the Soviet economy.

Of course, Brezhnev found himself in almost exactly the same position a little under ten years later, when the Soviet Union had to buy a full quarter of the U.S. grain crop for 1972. But unlike Khrushchev, he was able to turn his country's agricultural failure into a neat commercial profit through sharp dealing. "The Great Grain Robbery of 1972" sent the price of wheat skyrocketing around the world—something the Soviets immediately took advantage of by selling large quantities at the new, inflated price after the good harvest the following year. And it

opened the eyes of a number of people to just what kind of men they were dealing with. As the U.S. Department of Agriculture's commodity export specialist, George S. Shanklin, told *The New York Times*, "I give them credit for being very good capitalists."

It was not only in questions of the domestic economy that Khrushchev failed to adopt a consistent capitalist approach. Although he initiated the export of capital from the Soviet Union to the Third World, the degree of economic and political control (not to speak of the profitability) afforded by early deals with India and others was not satisfactory to the emerging Soviet social-imperialist class. And Khrushchev's tendency to provoke and then back down from confrontation with U.S. imperialism, which was most dramatically displayed during the Cuban missile crisis, alarmed not only other Party leaders, but the Soviet military brass as well.

To sum up, as far as the bourgeois forces in Soviet society were concerned, Khrushchev had not gone far enough in restoring capitalism. But as far as the Soviet working class was concerned, he had gone too far!

Khrushchev had constantly promised to increase production of consumer goods and help raise the living standard of the people. But despite all his talk of "goulash communism", living standards actually declined. For all of Khrushchev's attempts to revise Marxism-Leninism, most Soviet workers still remembered what communism is supposed to mean: not simply an abundance of the good things of life, but the breakdown of distinctions between mental and manual labor and between worker and peasant and town and country; not a "state of the whole people", but the withering away of the state. The workers still remembered what goulash tasted like, too—and they knew they weren't getting much of that, either.

Of course, it was never intended that they should. Khrushchev's Seven Year Plan actually called for a lower rate of growth in the consumer goods industries than prevailed during the preceding seven year period (1952-1958). But with the dismantling of the centralized planning apparatus, what was bad news on paper turned out to be disaster in practice.

The frenzied pursuit of self-interest by the Economic Councils led not only to hoarding, but to heavy new investment in the producer goods industries as well, to assure local self-sufficiency. Thus, instead of exceeding the rate of growth of consumer production by 14% provided in the Seven Year Plan, the growth rate of the producer goods industries shot ahead by 22%.¹

This resulted in a rapid and unplanned expansion of the size of the national wage fund—not only because new jobs had been created, but because wage rates in the producer goods sector are much higher than in the consumer goods industries. New purchasing power had been created, but there was almost nothing to purchase.

Because of the diversion of investment, the actual output of consumer goods fell short of the low planned targets. Shortages and inflation were the order of the day. Where low planned prices were maintained, long lines sprang up and a criminal "black market" flourished.

This was certainly not the first time in Soviet history that the production of producer goods had outstripped the production of consumer goods—this situation was typical of the economy during the Stalin era. But at that time this pattern of investment was decided upon according to central planning. The production of producer goods was emphasized so that the long-term overall productive capacity of the economy could be increased for the benefit of the masses. Inflationary pressures generated by the rapid development of heavy industry could be foreseen, as this was planned politically from the center and not by rival gangs of regional bureaucrats "doing their own thing."

Such pressures could then be held in check by Stalin's proletarian policy of setting and strictly maintaining, if need be through rationing, low and stable prices for basic consumer goods.

Like so much else, Khrushchev threw this policy out the window. Soviet statistics show that the retail prices of flour, cotton textiles, shoes and twelve other major consumer items rose 42%, while the wages of office and factory workers went up by only 18.9% from 1959 to 1964.² The new Soviet bourgeoisie tried to make the workers pay for the results of the wrecking of socialism, using every trick in the book short of actual layoffs and plant shutdowns.

Things got so bad that riots broke out in the industrial cities. The best documented of these happened in June 1962 in Novocherkassk, an important center of machine tool, locomotive, and mining equipment production. A few days after speed-up and a 10% cut in piece rates had been instituted in the factories, price increases for meat and dairy products were announced. This sparked a general strike.

As with similar workers' protests in Poland in 1971, thousands of workers, housewives and students gathered before the local Party headquarters, demanding an explanation. They were met with bullets. Several children were hit and killed, and the righteously enraged crowd tore the headquarters and several other public buildings apart. The rioting continued for several days and it was necessary to call in outside troops to restore order. Similar instances are known to have occurred the same year in Temir-Tau in Kazakhstan and in Kemerovo in the Siberian industrial basin.³

Beset by internal contradictions and meeting with growing resistance from the Soviet proletariat, Khrushchev's attempt to restore capitalism was also being exposed and attacked within the international communist movement by the Chinese Communist Party and the Albanian Party of Labor. Clearly, things could not be allowed to

continue in this manner for very much longer. And they were not. In October of 1964, Leonid Brezhnev and Alexei Kosygin, two chairman of the board types, axed Khrushchev.

2) The "Return to Leninism"

This changing of the guard was hailed as a great return to Leninist principles by the same hacks who had been praising Khrushchev's "creative development of Marxism-Leninism" only a few months before. The days of subjectivism, voluntarism and adventurism were officially announced to be over, and proletarian rule was supposedly back in the saddle again. Centralized state economic planning and management were re-established with the elimination of the Economic Councils in the fall of 1965, and Khrushchev's artificial and extremely unpopular division of the Party into industrial and agricultural sections was abolished almost immediately.

Of course, what actually prompted this reversal of policy was not any regard for Marxist-Leninist principle and the building of socialism. Centralized control of the economy was necessary to avoid total chaos, and it is not strictly incompatible with either capitalist relations of production or bourgeois dictatorship as both the Nazi economy and the post-war experience of West European countries have demonstrated.

Similarly, piecing together the Party was not intended to put proletarian politics in command. Calling upon Party members to be "political leaders" rather than narrow administrative experts was supposed to actually expand the authority of Party functionaries in practice. In restoring the Leninist model of "the party of a new type", Kosygin and Brezhnev were trying to use it as a fig leaf, the political representative and organizer for a monopoly capitalist class of a new type!

In the same breath as they heralded their "return to Leninism" to fool the masses of the Soviet working people, Brezhnev and Kosygin assured their real social base—the collective farm managers, factory directors, technicians, etc. and corrupt Party officials—that capitalist restoration would be continuing, but on a "professional" and systematic basis this time.

Here, too, "Leninism" was to serve as a smokescreen. Since 1956 revisionist economists had scrounged around for quotations from the Marxist-Leninist classics which, taken out of context, might seem to justify their attempts to reintroduce capitalist economic methods and relations in the Soviet economy. They hit pay dirt in Lenin's writings dating from the introduction of the New Economic Policy (NEP) in 1921.

In these texts, Lenin talks about the necessity of freeing trade and commodity relations, strengthening the authority of managers and experts in the factories, using material incentive to stimulate production, and last but not least, even

allowing foreign capital to invest in Soviet resources. The state must run nationalized industrial enterprises as autonomous "profit extracting" units, he said. (The term "profit extracting" *izvlechenie pribyli* comes from the Decree on Trusts of April 10, 1923.) As we shall see, all of these features of the NEP are key aspects of the Brezhnev-Kosygin "economic reforms."

By carefully selecting and pruning their quotations, the revisionists try to pass off the policies Lenin pursued during the NEP as his final word on how a socialist economy should be organized. For example, a whole page of the 1967 *Theses of the Central Committee of the C.P.S.U. on the 50th Anniversary of the Great October Socialist Revolution* is devoted to the NEP, stating among other things that "the basic principles underlying the New Economic Policy are of international value and are being utilized in the process of building socialism in other countries."⁴

Lenin made no such claims for the NEP. He saw it as a temporary retreat forced on the dictatorship of the proletariat by the unprecedented difficult conditions created in Russia by centuries of backwardness and the havoc of civil war. In all his writings of the period, Lenin stated with ruthless honesty that the NEP was "our *retreat* to the ways, means and methods of *state capitalism*."⁵ (emphasis added)

Paradoxically, it was only by a retreat to capitalist relations of production—under the watchful control of the workers' state, which continued to control credit and trade as well as embodying the political power of the working class—that the dictatorship of the proletariat could be preserved and consolidated. In cities the breakdown of large-scale industrial production was forcing the proletariat to turn to petty bourgeois profiteering to survive. In Lenin's words, it was becoming "declassed" and was in danger of losing its ability to wield political power.

The material basis of proletarian class consciousness, industrial production, had to be restored, even if it meant putting bourgeois elements in charge of the factories. In the countryside, the worker-peasant alliance was being strained to the breaking point by arbitrary state requisitioning of grain. Lenin saw clearly that

*"It is impossible to establish a correct relationship between the proletariat and the peasantry, or an altogether stable form of economic alliance between these two classes in the period of transition from capitalism to socialism, without regular commodity exchange or the exchange of products between industry and agriculture."*⁶

At the same time, he pointed out with equal clarity that "commodity exchange and freedom of trade inevitably imply the appearance of capitalists and capitalist relationships."⁷

It should be quite clear that it is an obscene distortion of the theory and practice of Lenin's

leadership to claim, as does the Soviet economist, V. Morozov, in his article "The Development of Commodity-Money Relations in the Countryside":

*"From Lenin's works that are devoted to the economic problems of building a communist society, it follows that the decisive factor in the development of socialist social relations is the use of trade, money, and other instruments of a commodity economy. Lenin's theoretical elaborations found their practical embodiment in the N.E.P."*⁸

The NEP had very little to do with questions of economic efficiency under socialism. But it had everything to do with socialism's fundamental precondition: the political hegemony of the working class. If the NEP has an "international value", it is as a brilliant example of putting politics in command of economics under the dictatorship of the proletariat.

3) Restoration of Capitalism in Agriculture: The Creation of a New Kulak Class

Brezhnev, Kosygin and Co. "returned to Leninism" to tear out its proletarian and revolutionary heart. But they cannot be faulted for not learning from Lenin, who had seized on the countryside as the decisive link in the transition between capitalism and socialism in Russia. And so, like the capitalist roaders within the CPSU before them (Trotsky, Bukharin, and latter-day revisionists like Voznesensky and Khrushchev), they turned their attention to the problems of the rural economy.

Immediately upon taking power, Brezhnev moved back in the direction of encouraging the growth of the private sector in agriculture. All of Khrushchev's belated restrictions on private plots and livestock ownership were once again removed. In line with this, attempts to prevent profiteering in the free markets where the peasants sell their privately produced goods by means of publicly posted ceiling prices were abandoned in 1965, much to the dismay of the urban consumers who are forced to rely on such markets for virtually all fresh produce and dairy products.

Not only have the prices on these markets jumped, but so have their volume of sales and the number of commodities offered as well. Collective and state farms have now been authorized to dispose of an increasing percentage of their socially produced output on the free market, and are even allowed to sell "surplus" seed, fodder and equipment.

Today a tremendous private sector continues to exist and plays a major role in Soviet agriculture. According to official Soviet figures, 62% of all potatoes, a staple crop, are grown on private plots and marketed privately. Nearly half of all egg production is private, and the Soviets are proud that per capita egg consumption in the USSR is higher than in the U.S. Over a third of all meat and 44% of all milk were privately produced in 1972.⁹ From

January, 1965 to January, 1967, the number of privately owned pigs increased by 13.7%, cows by 5.6% and sheep and goats by 4.2%.¹⁰

In line with this encouragement of private production and trade is the break-up of socialized production by the system of *beznarzhadnie zven'ya* (unregulated teams), an experimental system of production which is gaining increasing favor on Soviet state and collective farms. The present day *zveno* is a refinement on the mini-teams that Khrushchev had pushed as the basic unit of collective farm labor back in the late 40s.

Under this system, collective or state farm land is parceled out to a group of five or six peasants (generally relatives or neighbors) for an indefinite period of tenure. The group is provided with seed, equipment and instructions on what to grow, and they continue to receive a monthly salary. The group is free to work when it pleases and how it pleases. The *zveno* then sells its output to the collective or state farm for cash. It is estimated that participants in this scheme get double the income of regular workers in agriculture, and since the *zveno* members are supposed to decide on how the revenue from their crop is shared out, inequality can emerge within the bosom of these cozy groups as well.

The development of the *zveno*, while not as yet generalized throughout the state and collective farm system, dealt a series of powerful blows to the painfully won and relatively fragile socialist relations in the Soviet countryside. On the most obvious level, it creates inequality and disunity among the unskilled and semi-skilled workers who make up the majority of the members of collective and state farms. This can only serve to strengthen the rule of the real capitalist elements in agriculture—the farm managers.

It also represents a penetration of full-fledged commodity relations into the very heart of supposedly socialized or collectivized agricultural production. Here we should recall that Stalin saw the persistence of the law of value in the Soviet Union stemming from commodity exchange between the collectivized agricultural sector and the state sector. What is going on with the *zveno* is qualitatively different and more serious. This is the spread of commodity exchange *within* collectivized agriculture!

The indefinite tenure of the *zven'ya* on nationalized land can be seen as a step towards the restoration of private property in land, though, as Lenin pointed out, private property in land is not a necessity for capitalism, and capitalist agriculture can exist on the basis of nationalized land. Nevertheless, some Soviet commentators have actually come out front and suggested that the teams be granted permanent and recognized rights over the land they farm. One enthusiast, writing in *Literaturnaya Gazeta*, claimed that loss of personal ownership of the land had caused the peasant to lose his love for the land, and that this was the root cause of the problems of Soviet agriculture!¹¹

The theme of "personal responsibility"—and productivity—is developed further in an important article by P. Rebrin and A. Strelanov, which appeared in the bourgeois liberal magazine *Novy*

Mir.¹² The authors complain that on farms comprising thousands of acres and hundreds of workers, the warm personal tie between man and his labor has been replaced by plans and state norms, and this leads to indifference and low productivity. Of course, the warm, personal tie these authors are actually talking about is what Marx called the cash nexus. For all its metaphysical language, this article actually gets to the heart of the *zveno* scheme as a tool of capitalist restoration in the countryside.

The collectivization of agriculture was an urgent task for the Soviets, not because it was a way of squeezing more out of the peasants to finance industrialization (the Trotskyite theory of "primitive socialist accumulation" echoed by so many bourgeois scholars). Nor was its greatest importance that it was a more efficient system of production than small-scale cultivation (although it was certainly was that); nor even that it was a way of rescuing the poor peasants from ruin at the hands of the kulaks. Above all, collectivization was the first step towards the communist goal of eliminating the contradiction between town and country and the abolition of classes.

By participating in scientifically organized, mechanized agricultural labor in large brigades, peasants on the state and collective farms got their first taste of socialized labor. Collectivization involved the labor process as well as land ownership, and thus paved the way for the gradual "collectivization" of the peasants' consciousness—the replacement of the individualism and selfishness of the small producer with proletarian qualities of cooperation and solidarity. By attacking socialized labor in the countryside, the *zveno* system marked a great step backward.

But if it hurt the ideological proletarianization of the peasants, it furthered their economic transformation into a class of rural wage laborers, exploited by a new kulak class. For if the *zveno* represents an individualized basic production unit, it is still not a unit of political and economic control, which rests in the hands of the farm managers.

The *zveno* system has to be examined in light of the fact that the main thrust of Brezhnev's economic policy was not to encourage small-time private producers—though small-scale production did expand rapidly as the forces of capitalism were unleashed—but to transform the collective farms and state farms into self-supporting, profit-oriented agricultural firms, linked to the state not so much by planning or obligatory deliveries and sales as by relations of bank credit (which in the case of the state farms was to replace grants from the budget). Both institutions were supposed to operate on the basis of internal cost-accounting (*khozraschot*).^{*} The

^{*}Under socialism, the term "cost-accounting" was used to describe the process whereby enterprises attempted to cover expenditures with income in the most efficient manner possible according to plan. Today, however, this term, along with the synonymous expression, "economic accounting", refers to the process whereby an enterprise attempts to cut costs and maximize profit. When Soviet economists refer to efforts made to "strengthen cost-accounting", they refer to the further maximization of profit. The existence of the practice

of farms paying *zven'ya* for their crops fits in nicely with this sort of "control by the ruble", and can be compared with the so-called transfer prices that different shops in a giant enterprise or different divisions of the same firm sometimes charge each other in monopolized industries in the West.

Under Stalin, agricultural experts were employed by the state and stationed in the MTS. Though this arrangement did create some inefficiency with respect to the deployment of experts in on-the-spot situations, one of its main goals was to keep such bourgeois elements under proletarian control, isolated in the MTS and thus incapable of forging a bourgeois political base among the more affluent peasants. When Khrushchev abolished the MTS, however, these bourgeois experts entered directly into the administrative structures of the collective and state farms. Moreover, in many cases they took on positions of Party responsibility as well.

In his report to the plenary meeting of the Central Committee on March 24, 1965, on "Urgent Measures for the Further Development of Soviet Agriculture", Brezhnev made it quite clear on whom the Party planned to base itself in the countryside, and for whose benefit the urgent measures were to be taken:

*"The Party regards these specialists as its reliable and qualified support in the fight to advance agriculture. We trust our specialists who have been reared by the Communist Party. With the active support of the heads of enterprises, Party and soviet organizations, agricultural specialists will develop their creative potentialities and ensure the constant growth of crop yields and of productivity in animal husbandry."*¹³

of "cost-accounting" under socialism reflects the fact that the laws of commodity production, though restricted, still continued to operate. The strengthening of cost-accounting under revisionist rule does not just mean more emphasis on efficient use of funds, but reveals the restoration of the law of value to a regulating position (more on this later).

Another, more telling comparison can be made, one which equates the *zveno* to recent experiments by the Swedish auto firm, Volvo, which replaced some assembly line production with small groups of workers "personally responsible" for putting together entire cars. The real purpose is not to make the workers feel better, or get a real grasp of auto production, but to make them work harder for the capitalist. So-called "job enrichment" is merely another means of capital enrichment.

Similarly, the *zveno*, for all its elements of private ownership and petty production, is primarily an extremely efficient way to speedup agricultural laborers. Members of the teams are responsible for the cultivation of almost three times the area that members of normal collective brigades are assigned to work. Since the drift of young people off the collective farms was coming to resemble a stampede during the Khrushchev years, this aspect of the *zveno* system has made it doubly useful to the rural capitalists.

But just who are these rural capitalists? They are not primarily the people with the largest private plots or the most cows, nor are they by any means the participants in the *zveno* scheme. They are the managers and technical specialists of the collective and state farming establishments. Many of them are not even of peasant origin. The Soviet revisionists have removed many veteran peasant cadre from positions of leadership in agriculture, replacing them with a horde of capitalist-minded "experts."

Under Khrushchev, the collective and state farms had in most instances been granted a tremendous degree of independence, but at the same time this was consistently infringed upon by arbitrary increases in state procurement quotas. Now Brezhnev promised that there would be no more big state campaigns in agriculture, no more "preemptory orders and bureaucratic instructions, petty tutelage and usurping of the functions of the leaders and experts of collective and state farms" by the Party.¹⁴

In return a decree was issued "on the increased role of the Ministry of Agriculture of the U.S.S.R. in controlling *kolkhoz* and *sovkov* production."¹⁵ This decree formalized the relationship between the state and the collective and state farms. It was now decided that the farm managers would serve as agents of the state bourgeoisie by running the farms according to the demands of the profit motive. Along these lines specialization of farms was stepped up. Production delivery targets were now to be planned well ahead of time and could no longer be altered arbitrarily by the state. Relations between the farms and central state purchasing agencies were also placed on a commodity exchange basis (all allocations and requisitions by the state were now to be determined by contract).

To encourage farm chairmen in developing agriculture on a profit-oriented basis, remuneration of farm officials was put on a capitalistic basis in 1966, cutting these officials in on the take in a manner similar in many respects to how industrial managers were treated under the 1965 economic "reform" (see section 7).

In the past, the salaries of collective farm officials had been based on the socialist principle of "to each according to his work" and determined first on the basis of the size of the sown areas and herds on a farm, later on the basis of the value of gross output. Now their salaries are based on the level of gross monetary income as determined by the farm's production-finance plan. To the basic salary (which itself depends on whether the collective is rich or poor), the managers are entitled to add bonuses of up to 50% of their annual earnings: 5% of the monthly salary for every percent of profit attained, 2% of the annual salary for every percent by which the plan is overfulfilled; bonuses set for the state for putting certain highly profitable industrial crops like flax into cultivation (this one is very big in practice!), and bonuses which management can fix itself for "economizing on outlays of materials and labor."

For many managers, especially those on the really large and rich collective and state farms, even this system of payment doesn't go far enough. In an article which appeared in the scholarly and influential *Voprosy Ekonomiki* in 1969, the chairmen of the Kirov Collective Farm in the Smolensk region called for basing managerial salaries not on gross revenues, but on the rate of return on the capital invested in agricultural production.¹⁶

Whatever the basis of distribution, the new kulaks are skimming cream off the top. The

sociologist K. A. Shaibekov reported in his book, *Lawful Remuneration on the Collective Farms* (note the "lawful" in the title), that on 11 out of 27 collective farms investigated in Kazakhstan, chairmen drew wages 15 and even 19 times that of ordinary farmers. In 1965, the chairman of the Baku Worker Collective Farm in Azerbaijan received an average monthly salary of 1,076 rubles; the chief accountant was paid 756 rubles. On the same farm the average member received less than 38 rubles a month for arduous labor in the fields.¹⁷

Some of this income comes from what is known as "subsidiary agriculture"—private agriculture engaged in "on the side" by many of the new kulaks. While this is not the *main* form which capitalism takes in Soviet agriculture, it does provide one important base of kulak power and reflects the extent to which the abandonment of proletarian dictatorship has unleashed all the spontaneous forces of capitalist production. For example, most of the new kulaks are into livestock production in a big way, often hiring members of the collective to tend their private herds or cultivate their private plots.

In 1967, Brezhnev introduced a Decree on the Further Development of Subsidiary Enterprises in Agriculture, which opened up vast new possibilities for further exploitation of the peasantry on a wage labor basis, and for the profitable transformation of high managerial income into private capital. Farms were allowed to set up manufacturing enterprises, particularly in processing of agricultural produce (for example, canneries), building materials and consumer goods, provided this did not come at the expense of agricultural production.

Financing was to come from retained profits of the farms and from credits from the state bank. These enterprises can establish their own production plans, which are not subject to higher approval, and can negotiate prices with consumer cooperative and state retail trade networks, as well as sell directly to industrial enterprises and on the peasant free markets. They are the forerunners of Soviet agribusiness—merging the new kulaks (as growers and processors) with the state finance capitalists (in their role as bankers).

Another important step towards the establishment of the new kulaks as a definite class was taken in 1969, when the Council of Kolkhozes was created, grouping together the chairmen of the collective farms and state agricultural functionaries. The Council serves as the lobbying organ of the rural bourgeoisie.

It is clear that the general trend in Soviet agriculture is towards greater autonomy of the productive units with regard to the state. However, before we accuse Mr. Brezhnev of completely abandoning the countryside to *local* bourgeois elements, we should mention the numerous proposals that the Soviet state, as legal owner of the land, assume its agricultural

responsibilities once again—by charging the collective and state farms rent in cash for its use. And according to the Western expert, Alec Nove, the establishment of a cadastre—an official registration of the quantity, quality and ownership of land—is being contemplated.¹⁸ This would serve as the basis for the state exacting *differential rent* from the farms. This is the form of ground rent specific to the capitalist mode of production. It takes account of the fact that some land is more productive than other land, and regulates the apportionment of surplus value to the landlord—in this case the Soviet state—accordingly.

To sum up: with respect to the restoration of capitalism in agriculture, Brezhnev and Kosygin picked up where Khrushchev left off. Khrushchev's policy had been a contradictory one of, on the one hand, encouraging an orgy of small-scale private enterprise farming and, on the other hand, of arbitrary interference by the state through increased requisitions. This was abandoned by Brezhnev and Kosygin, who chose to solidify the collective and state farm managers and technicians as a new rural bourgeoisie. Labor intensification and the final destruction of socialized production relations was systematically carried out by the introduction of the *zveno* system.

Meanwhile, the collective and state farms were set up as virtually independent firms tied to the state bourgeoisie through the latter's role as finance capitalist. (Here it might be instructive, by way of comparison, to recall the example of the Bank of America's role in California agribusiness noted in Chapter I.) Finally, the Council of Kolkhozes was established to provide the rural bourgeoisie with its own lobbying agent in the central government. In addition, the Communist Party, now based in the countryside mainly on the new kulaks and their lackeys, provided the key *political* link tying the rural capitalists to the predominant power of the central state monopoly capitalists.

4) The Liberman Debate: Enter the Profit Motive

While all this rural capitalism is fairly impressive as an indication of which way the wind was blowing in the USSR, we should remember that after decades of proletarian rule and socialized production, the Soviet Union was predominantly an industrial country. For this reason the reorganization and consolidation of industrial production along fully capitalist lines was even more crucial to the completion of capitalist restoration.

This occurred in 1965 when Premier Kosygin announced a sweeping "economic reform", patterned on the NEP and the recommendations of his first mentor, Voznesensky. This reform made the profit motive the major guiding force in the Soviet economy, and opened a new period, the stage of the conscious construction of a state capitalist

economy.

This economy, now fairly well established, although still in the process of evolution, is not based on serving the needs of the broad masses of the Soviet working people. It is in no respect controlled by them. It is an economy based on the principle of the exploitation of man by man; on the extraction of surplus value from the workers by a new ruling class of state monopoly capitalists.

The main outlines of these reforms were suggested during the famous Liberman debate carried out among Soviet economists in the early 1960s under the auspices of no less a figure than Khrushchev. This high patronage should alert us to the fact that the debate was designed to serve as a forum for bourgeois ideas about economics. Its slogan, in fact, might have been a perversion of Mao Tsetung's famous call to "let a hundred flowers bloom, let a hundred schools of thought contend." All one had to do was replace the word "flowers" with "weeds."

But there were other aspects to the debate as well. The failures of Khrushchev's economic policies made the questions debated of more than academic interest—something had to be done with the Soviet economy but quick. The old system of planning and management was in serious need of reform. Managers of factories persistently resisted innovation and technical change that might result in higher planning indexes for their enterprise. The quality of goods produced left much to be desired. The system of centralized supply was bogged down in red tape and inefficiency. The most extreme anecdote about this problem concerns an auto factory whose requisition for ball bearings had to be processed by fourteen different agencies and generated some 430 pounds of documents!¹⁹

As a result, managers would hoard raw materials and machinery, put in inflated orders and employ "blat" (a term which can cover anything from coat-tail pulling to outright bribery) to make sure their enterprise would suffer no interruption of production due to problems of supply. All of these practices, of course, were strictly illegal, and subject to the most severe penalties if discovered.

The use of the index of gross output as the chief gauge of an enterprise's success in fulfilling its plan tended to produce some fairly grotesque side effects. An article written by the head of the Tatar Economic Council, F. Tabeyev, which appeared in *Izvestia* gives a classic account of what tended to go on:²⁰

At a factory producing children's clothes, the principal plan target was *value* of gross output. In order to meet and overfulfill the plan, management had fancy silk-embroidered and fur collars sewn onto kid's winter coats, thus jacking up the value of each unit produced.

Measuring gross output in *physical* terms didn't help much either. Soviet humor magazines abound in cartoons showing nail factories whose entire year's output is one gigantic nail weighing

hundreds of tons.

Now while certain of the problems involved with the old system were indeed technical (particularly certain problems of supply), the majority of them were basically political questions. For example, in the case of the children's coat factory, the problem could have been resolved by an all-out political struggle by the workers against these phony and wasteful methods of "meeting the plan" and the bourgeois ideology behind them—by the working class exercising its rights as the true owner of society's productive resources.

But the Liberman debate never even touched on such questions. The argument was conducted almost completely from a "practical" and technical point of view. In large measure this was due to conscious interference by leading political figures up to and including Khrushchev himself. In fact, shortly after the discussion began Khrushchev spoke before the November 1962 Party Central Committee plenum where he endorsed the notion that under socialism, "in the individual enterprise... (profit has) great significance as an economic index of the effectiveness of its work."²¹ Such statements only encouraged Liberman's opponents to confine their criticisms to pragmatic considerations.

Thus even those economists who opposed the wholesale reintroduction of capitalist criteria and relations were infected with the revisionist approach. Their solution to the problems of the Soviet economy was to find fool-proof techniques for allocating resources and measuring success, planning gimmicks that not even the cleverest and most crooked manager could distort or outwit. All of their solutions for straightening out the Soviet economy called for putting technique in command.

Some extremists called for a planning process virtually untouched by human hands. Giant computers were to survey the needs of every enterprise and household in the economy in physical terms, draw up a national plan balancing expansion of production with consumption and allocating resources and production quotas, then analyze and evaluate the execution of the plan. The problem of programming the computer to achieve the optimum *political* solution to economic problems, to take into account the complexities of class relationships in the socialist period, was not discussed at all, and of course, was not possible at all.

Of course, not all the conservative economists went as far as these computer freaks. Tabeyev, whom we mentioned before, drew up a new index to replace the gross output norm, and actually put it into practice in the Tatar Economic Council. Called the "normative value of processing" (NVP) method, it calculated standard values for each line of production on the basis of expenditures on labor, fuel and a fraction of overhead costs.

The NVP set out to avoid the types of abuses we ran down earlier by excluding the bulk of material inputs, and most importantly, profit, from its

calculation. Tabeyev reported that after its introduction, "clothiers ceased sewing expensive collars on children's overcoats." However, the NVP was such a complex index that there was virtually no way the workers could grasp the principles on which it was based, or monitor its application. More than ever, it made control over production a bureaucratic affair, involving mathematicians and managers, not "mere" production workers.

The conservative economists like Tabeyev were mainly concerned with rationalizing the system of centralized planning (particularly in dealing with problems of supply) and eliminating managerial hanky-panky and waste in the enterprises. But the capitalist roaders who had usurped state power in 1956 and their academic henchmen had their eyes on a different set of problems. They were concerned with the Soviet Union's relative strength in so-called "peaceful competition" with Western imperialism, with intensifying the exploitation of the Soviet working class, and perfecting the mechanisms by which the new capitalist class could appropriate the surplus value created by the proletariat.

The period of restoration of bourgeois dictatorship and of Khrushchev's economic experimentation was also a period of economic slow-down for the Soviet Union.²² Through the mid-50s, growth rates were high: GNP rose at an average annual rate of 7%, while industrial output increased by over 10% each year. But by 1959 these rates were on the decline, although they continued to be higher than comparable statistics for the West. According to U.S. economists, during 1960-67 Soviet GNP grew at only 5½% annually, while the increase in industrial production had fallen off to 7½% annually. This did not bode well for the Soviet bid for international economic dominance.

Even more alarming to the capitalist roaders was the fact that not only was growth falling off, but its cost was rising sharply. In the past, the Soviet economy had achieved and maintained its sensational growth rate not through the intensification of labor (speed-up) but by ploughing back a large percentage of the product into new investment in physical plant. This meant more machines, more factories, and also more jobs.

By the late 1950s investment absorbed a third of the total output of the Soviet Union, but its efficiency—that is, its profitability—was not keeping pace. In 1950-58, each additional ruble of investment yielded half a ruble of new product, but in 1959-66 each ruble invested yielded only about a third of a ruble's worth of output.²³

Now, to a capitalist, the purpose of economic activity is to obtain the maximum return on every penny—or kopeck—that he invests. So it should come as no surprise to us that the other camp in the Liberman debate, made up of the various brands of more conscious capitalist roaders, focused a great deal of attention on the problem of "increasing the efficiency of investment."

They were emboldened by the fact that a fundamentally capitalistic outlook on questions of economic policy had already received the Party's stamp of approval at its 22nd Congress, held in 1961. The new program of the Communist Party of the Soviet Union, which was adopted then, states:

*"The building of the material and technical basis of Communism calls for a continuous improvement in economic management and planning. Chief emphasis at all levels of planning and economic management must be laid on the most rational and effective use of the material, labor and financial resources and natural wealth and on the elimination of excessive expenditure and of losses. The immutable law of economic development is to achieve in the interests of society the highest results at the lowest cost."*²⁴

Of course, communism cannot be built on the basis of waste and economic irrationality. But we can measure just how far Khrushchev and Co. had gone along the capitalist road by comparing their views on the "transition to communism," waste and so forth with what Lenin had to say about the same questions, 40 years before. In *A Great Beginning*, Lenin writes:

*"Communism begins when the rank-and-file workers begin to display a self-sacrificing concern that is undaunted by arduous toil for increasing the productivity of labor, husbanding every pod of grain, coal, iron and other products, which do not accrue to the workers personally or to their 'close' kith and kin, but to their 'distant' kith and kin, i.e. to society as a whole, to tens and hundreds of millions of people united first in one socialist state, and then into a Union of Soviet Republics."*²⁵

(emphasis in original)

The difference between these two passages is not simply one of style, or an unfortunate choice of words by the framers of the new Program. It comes down to the fact that each represents the outlook of opposing classes: Lenin speaks for the aspirations of the proletariat, and Khrushchev for the bourgeoisie.

Any lingering doubts as to what direction the Party program is charting for the Soviet Union are cleared up a few lines later in the 1961 Program, when the capitalist cat is let out of the bag:

*"The Party attaches prime importance to more effective investments, the choice of the most profitable and economical trends in capital construction, achievement of the maximum growth of output per invested ruble, and the reduction of the time lapse between investment and return."*²⁶

(emphasis in original)

David Rockefeller himself could not have summed up the requirements of a capitalist investor more succinctly.

Exactly how the restructuring of the Soviet economy along capitalist lines should proceed was a subject of intense debate among the capitalist roaders themselves. They were divided

into moderates and extremists, piecemeal reformers and people with a rigorous and theoretically coherent blueprint for capitalist restoration.

The man who lent his name to this great debate, Yevsey Liberman, can be classified among the moderates, and was no big name in the Soviet political or academic world. In fact, his relative obscurity has led some observers²⁷ to see him as a front-man for more famous, and cautious, figures who did not want to go out on a limb by openly advocating capitalist measures.

This makes sense, but we think that there are other reasons for Liberman's emergence from the shadows of Kharkov University's Institute of Economic Engineers (the equivalent of a U.S. business school). The first reason, which doesn't contradict the "front-man" theory at all, is that Kharkov is in the Ukraine. It is more than likely that Liberman and his colleagues had long-standing connections with Khrushchev's Ukrainian political machine. That would certainly explain why the pages of the authoritative journal *Kommunist* were thrown open to Liberman's capitalistic theses as early as 1956 and 1959, the period when Khrushchev emerged as the unquestioned master of Party and state.

However, there is a second reason which we think is most important. By virtue of his position as a "business economist" and teacher of managerial cadre, Liberman had his finger on the pulse of one of the main social bases of capitalist restoration: the managers and technicians. In fact, his reform proposals are a direct reflection of the outlook and demands of this section of the rising Soviet bourgeoisie.

Liberman claimed that the root cause of the difficulties of the Soviet economy lay in the fact that the enterprises were not sufficiently "interested" in the results of their work. This interest was not, of course, the political consciousness so movingly described by Lenin in the passage from *A Great Beginning* quoted above. Liberman meant the interest expressed by the question, "What's in it for me?"—bourgeois self-interest expressed in cash terms.

Liberman's "solution" to this problem was for the state planning commission to throw out all but the most essential binding instructions and indexes for the enterprise, and to restore profitability to its traditional capitalist position as the basic index of economic success. And Liberman defined profitability as the ratio of profits to investment of constant and variable capital (for machines, raw materials, etc. and for wages), as does Marx in his formula for the rate of profit ($s/c+v$). (Liberman, like most bourgeois economists, used the terms fixed and working capital to refer to the categories of constant and variable capital.) Further, Liberman urged, the state should permit the enterprise to retain a significant percentage of profits realized, and use them as a source of incentive funds and managerial bonuses—to cut the managers in on the surplus value created by the workers under their direction!

Liberman came out front in a number of speeches and articles about the implications of his proposal. To a discussion group organized by *Ekonomicheskaya Gazeta*, the Party Central Committee's weekly newspaper, he said: "It is first of all necessary that everyone be clear on one point: the new system does not involve the simple substitution of one index for another—the replacement of gross production by profitability."²⁸ What is really at stake in making profitability the chief planned index is "a reform of the enterprises' relations with the national economy."²⁹ (emphasis in original)

In line with this, centralized planning must proceed from the principle that "what is profitable for society should be profitable for every enterprise."³⁰ (emphasis in original) In other words, the state must see to it that not only profits, but the economic power and privileges of the managers are maximized. The enterprises, operating under a regime of profit maximization, must regain autonomy in planning and management relative to the state, and they must be able to appropriate a portion of the surplus product they produce.

In reply to critics of his proposal, who correctly pointed out that putting profit in command of production was a step backward to capitalism, Liberman engages in a revision of Marxism that puts even Khrushchev to shame. In an article called "Are We Flirting with Capitalism? Profits and 'Profits,'" which appeared in the English language *Soviet Life*, Liberman lets us in on a little secret: "In essence and origin profit under socialism bears only a superficial resemblance to profit under private enterprise, while by its nature and by the factors to which it testifies it is fundamentally different from capitalist profit." He explains that "Behind Soviet profits there is nothing except hours of working time, tons of raw and other materials and fuel, and kilowatt-hours of electrical energy that have been saved," while "the main part of the profit under the private enterprise system comes not so much from production, as from the process of exchange."³¹

This would have come as big news to Karl Marx, who repeatedly stressed as the most fundamental principle of capitalist political economy that whatever form profit might take (whether the industrial profit that Liberman claims is "now" virtually unique to socialism, commercial profit, or interest and rent), it had one source and one source alone: surplus labor extracted in the process of production. It would also have been quite an eye-opener for Lenin who, following Marx, stressed that "Surplus value cannot arise out of the circulation of commodities, for this represents only the exchange of equivalents."³²

However, if we are to believe Liberman, since "there is neither private (i.e., individual—Ed.) ownership of the means of production nor stock capital and, consequently, no stock market" in the Soviet Union, there can be no capitalist exploitation in production, either. Putting profit in command of production through this feeble sleight of hand becomes the essence of socialism!

Not all the capitalist readers so blatantly ignored Marx as Liberman, however. In their article, "Payment for Production Assets and Enterprise Profits," L. Vaag and S. Zakharov (the extremists of the profit-oriented school) came up with a proposal for a "self-regulating" system of economic management that matches Marx's model of a capitalist economy outlined in Volume III of *Capital* point for point.

They called for a reform of the pricing system which would replace the old, politically determined prices with "prices of production" (the term is even taken from Marx), including a uniform rental charge of 20% on the value of fixed capital, to be paid to the state. (The authors estimate that if consumer prices were maintained at their existing levels, this would result in an 80% increase in the prices of producer goods! One can imagine what sort of result that would have on any extensive approach to the development of production—the intensification of labor would become the only economical way to expand output because firms could not afford to purchase new machines, etc., in order to develop production.)

Vaag and Zakharov echo Liberman in calling for more planning autonomy for the enterprises, and basing managerial bonuses on profit. But the real interest of their scheme, aside from its classical inspiration and rigor, lies in the proposal that the state begin to treat the means of production as capital, that is, as a means of appropriating surplus value for a non-productive minority, extracting interest from the enterprises for its use.

Of course, with their emphasis on the extraction of surplus value by the state rather than by the enterprise, Vaag and Zakharov were able to construct a much more elegant defense against any charges that they were seeking to restore capitalism. While Liberman had imitated Khrushchev's outright distortion of the basic truths of Marxism-Leninism, Vaag and Zakharov prefigured the "return to Leninism" of Brezhnev and Kosygin:

"This kind of scornful attitude toward profit, which once appeared in a book by Bukharin, is known to have been sharply criticized by V.I. Lenin. Bukharin's formula was: 'Production in conditions of capitalist rule is the production of surplus value, production for the sake of profit. Production under proletarian rule is production for meeting the needs of society.' Objecting to this kind of assessment of the significance of profit, Lenin wrote: 'That won't do. Profit also satisfies 'social' needs. What should be said is this: where the **surplus product** does not go to the owner class, but to all the working people, and to them alone.'

This is quite slick, but our capitalist readers have picked up a rock only to drop it on their own feet. The main thrust of Lenin's criticism of Bukharin's book, *Economics of the Transformation Period*, was that it approached socialist economic policy in exactly the same way the Vaag and Zakharov article does: divorcing economics from politics under the cover of rhetoric about proletarian rule, treating it as though it were a simple

question of the most rational and efficient utilization of the productive forces.

When Lenin reminded Bukharin that "profit also satisfies 'social' needs", he meant that under capitalism use values are produced—for profit—and profit did serve as a measure and spur of economic efficiency and the development of society's productive forces. If the categories of capitalist exploitation served no economic function, and if the capitalist system consistently failed to assure the working class even a miserable living (as a class, because there is always the ruin and starvation of individual workers), the profit system would have passed off the face of the earth long ago.

The real question certainly is which class owns the means of production, organizes their utilization, and appropriates the surplus product. When the means of production are nationalized, we must also ask which class rules the state. The policies and methods pursued by the state in organizing production can provide a partial answer to this question. Vaag and Zakharov's version of putting profit in command, having the state relate to the means of production in exactly the same manner as a capitalist, should serve as a signal that bourgeois forces had usurped state power. We will go much deeper into these problems when we discuss the actual "reform" of the Soviet economy.

The openly capitalistic character of Vaag and Zakharov's proposal to restore prices of production drew fire from even members of the revisionist camp. It can be seen as providing a convenient cover for less blatant proposals, and we should note that most of the criticisms did not focus on the relations they sketch out between the state, the enterprise, and the worker. However, as the debate intensified, at least a few participants raised objections to its class character. The Soviet economist Chakhurin openly stated that "Some of those engaged in the discussion are obstinately trying to produce a system that would work automatically and be managed by engineers technicians and economic leaders."³⁴

Whether out of sincere opposition to what were overtly capitalist proposals, or conservatism, the majority of the economists involved in the Liberman debate rejected the various proposals to run the Soviet economy on a more or less competitive capitalistic basis, and instead called for the general introduction of the NVP index. However, Khrushchev publicly intervened in favor of the Liberman proposals. In May 1964, *Ekonomicheskaya Gazeta* announced that the Central Committee was sponsoring an experiment putting Libermanism into practice at two clothing factories: Bolshevichka in Moscow, and Mayak in Gorky.

5) Testing the Water: Experiments with Capitalism

The basic idea behind the Bolshevichka-Mayak experiment was replacing what little was left of the discipline of the plan with the discipline of the

market. Under the old system, orders for the garment industry were channeled through the state Retail Clothing Trade Organization, which not only took care of making wholesale marketing arrangements but finalized and checked up on the fulfillment of centrally-set production plans. Under the terms of the experiment, this organization was to be bypassed. Instead, Bolshevichka and Mayak established direct, contractual relations with a select group of large retail stores around the USSR.

Contracts were drawn up between the factories and stores, establishing the quantity and quality of goods to be delivered (in extreme detail as to color, style, etc.), setting prices and delivery schedules. On the basis of these orders, the enterprises were to draw up their own production plans. The rationale behind this should be familiar to anyone who has suffered through a senior economics class in high school—on the basis of their sales, the retailers were supposed to have a better grasp than either Party or state of what the Soviet people want and need. Contractual relations between manufacturer and seller were to serve as the instrument through which capitalist-style "consumer sovereignty" could be exercised.

As Liberman had recommended, the enterprises participating in the experiment enjoyed unprecedented autonomy. Productivity, materials to be employed in production, costs, the wage fund and methods of paying the workers (piece rate or hourly) were all left up to the discretion of management. Bolshevichka and Mayak had the liberty of setting the size of their inventories and if they exceeded their planned working capital, they were guaranteed credit from the state bank.

The only centrally planned indices were the volume of sales to be realized (measured in rubles) and total profit (figured in the old way, as difference between cost and wholesale price of production rather than as per cent of capital as Liberman recommended). Prices for goods sold were also to be set according to plan. However, the experimental enterprises were permitted to bargain directly in the sale of completely new items, and special markups, to be determined by enterprise management, were authorized for the addition of new features and trimming.

Introduction of the experiment in the retail clothing trade was conditioned by an outstanding problem. The growth of revisionist attitudes among the planners in the 1950s created a situation in which garment production strayed completely out of line with people's needs. Looking to develop and fulfill the plan as "conveniently" as possible, the enterprises, guided by their superiors in the planning agencies, turned out millions of items of clothing which the Soviet people simply refused to buy. As a result, stocks of unsold, shoddy or otherwise undesirable apparel rose dramatically from 1,485 million rubles worth on January 1, 1959 to 4,133 million rubles on January 1, 1964.³⁵

In solving this problem, the experiment at first seemed successful. At Bolshevichka it was

estimated that had the original plan drawn up from above been kept to, about 30% of stipulated production would have been unsaleable. Moreover, stocks of unsold finished goods decreased drastically—at Bolshevichka by over 50% in two years and in retail outlets contracted to the experimenting plants by an equivalent margin.³⁶

Based primarily on this progress in decreasing accumulated inventory, the experiment was deemed successful. In October 1964—even as Brezhnev and Kosygin were putting Khrushchev out to pasture—it was proposed that the new regulations be extended to 31% of garment factories, 17% of textile mills, 33% of footwear factories and 18% of leather plants in Gorky, Leningrad, Moscow and elsewhere. Altogether, about 400 enterprises went under the Bolshevichka-Mayak system beginning in the second quarter of 1965. This widespread experiment in the garment industry was paralleled by similar projects undertaken on a much smaller scale in transport, a machine-building plant, lumber and mining.

With the extension of this experiment in "market planning", its real deficiencies became clear. In the garment industry sales volume for 1965 rose by 4.5% over the previous year. However, this increase was due largely to an 8.9% jump in the luxury silk trade. Cotton goods sales, on the other hand, fell by 0.9%, woolens by 8.5% and footwear by 2.5%.³⁷

These figures reveal that the new system, though ostensibly designed to rescue consumers from the whims of arrogant, bureaucratic planners, was, in fact, a scheme directly opposed to the interests of Soviet workers. The system of "direct ties" established between the experimental firms and cooperating retail outlets was based upon the principle that "money talks." In other words, stores would contract for those goods which would bring in the most rubles, and as in any capitalist economy, those individuals with more rubles had more say as to what was sold and what produced. As a result, output of luxury items tended to increase while inexpensive popular wear was shortchanged.

This problem was made even worse by the pricing system. To increase both sales volume and profit indices, managers would routinely add trimmings and other features to items, thus gaining the right to raise prices. Moreover, the planned price system was still structured somewhat according to political and social considerations. Thus, those items which were in high demand by the masses were precisely those which were cheaply priced and less profitable to the producing firms and the sales outlets. For example, children's clothing remained extremely unprofitable while high-fashion women's clothing was expensive and profitable.

This situation created an additional problem which actually served to cut profits. Since luxury clothing items could be purchased by a relatively small segment of the population, negotiated orders were generally much smaller in size than had

been the case under planned production. A barrage of small batch orders led to a sharp increase in production costs, decreased efficiency and lower total output.

For plant workers this led to speed-up and "productivity" campaigns designed to make up for small difficulties created by continuous disruption of production by small orders. Managers took advantage of their newly granted control over wages to set up elaborate bonus systems aimed at pitting the workers against each other in the competition for monetary rewards. As a result, for example, during the third quarter of 1965 growth in labor productivity exceeded that of wages by 3.8% in the cotton industry and 3.2% in silk.³⁸ Summing up the situation, one bourgeois economist has aptly noted that under the experiment, "Large mass production enterprises are turned into custom sewing shops."

The introduction of those experiments was only a step, and not the whole process, in restoring fully capitalist relations, but given the political line being followed, such a transition was surely inevitable.

The difficulties which a socialist economy may confront can only be solved by building on pre-achievements, consciously summing up lessons, and moving forward towards communism by mobilizing the masses of people collectively, consciously and scientifically to solve the problems in the interests of the entire working class. Once the Soviet economy was steered backwards in a capitalist direction—even experimentally—it had to continue on this path in the absence of sharp class struggle to reverse the backward movement.

This point became clear when the 400 experimental firms entered into economic relations with the rest of the economy. Though by this time the new bourgeoisie was firmly in command, most of the economy was still formally organized (though not managed) according to socialist principles. Thus, when a clothing firm would contract with a store to produce a certain number of Dacron slacks, it had to obtain the needed Dacron from a chemical firm not participating in the experiment whose output had been already planned from above. Thus, serious difficulties arose in supply and many contracted orders could simply not be met.

In addition, the existence of this experimental market island within the overall planned economy led to continual bickering between planning authorities and enterprise managers. The case of the Glushkovo Cotton Combine is typical. This firm entered the experiment in the second quarter of 1965. In preparing its 1966 plan, it concluded direct contracts with a number of suppliers and wholesale outlets at the inter-republic textile fair of August 1965. Yet by December, these contracts were administratively preempted by Moscow Economic Council which ordered the firm to deliver its total output to the Moscow Central Cotton Storage Base. Specified orders were almost completely different from those originally contracted for.

Incidents like this reveal that even at this stage,

a sharp struggle was still going on over who should control production. The planners, deprived of proletarian party leadership bolstered by mass support and criticism, could no longer lead the economy forward. But conditioned by their training and experience, many among these forces continued to fight for at least the *form* of centralized planning. Here they came into conflict not only with the enterprise managers but, most important, with their state and Party superiors. This is the political content behind the "bureaucratic sabotage" which has plagued all Soviet economic "reforms" down to the present.

One other aspect of the experiments worth noting is the effect they had on income distribution within affected enterprises. In nearly all firms, the experiments led to a general increase in wages, due largely to the special treatment experimental firms enjoyed. But because management was given full control over the wage fund, the lion's share of the increases did not go to the workers.

This is most clearly illustrated by the experience of five Moscow and Leningrad trucking firms placed on an experimental basis substantially similar to the Bolshevichka-Mayak system in the second quarter of 1965. In the three Moscow firms, total wages for 1965 rose by 15.6%, 23.6% and 23.4% over 1964. For drivers the figures were 13.6%, 18.3% and 24.9% respectively, but for office staff (including top management) they were 26.2%, 38.3% and a whopping 61.9%!

In Leningrad, where the entry of technocrats into high management was more advanced than in Moscow, top management were counted together with engineers. In these two firms drivers' wages rose by 19% and 30% and wages of maintenance men by 13% and 25%. Auxiliary workers saw wages rise by 33% in one firm but drop by 9% in the other. However, for engineering staff (including top management) wages in the two firms rose by 48% and 40% respectively.⁴⁰

These figures indicate that one of the political purposes of the experiment was to solidify the social-imperialist base among the enterprise managers. As we shall see, this was also a major goal of Kosygin's general economic "reform" of 1965.

The Bolshevichka-Mayak and similar experiments began under Khrushchev but were completed under Brezhnev and Kosygin. This is appropriate as they mark in effect a transition from the destruction of socialism characteristic of Khrushchev's reign to the systematic reconstruction of capitalism by Brezhnev and Kosygin. (We should note, however, that no brick wall separates these two periods. Each "task" is intimately connected with the other.)

Having firmly established bourgeois political rule and having created a situation where real economic problems could no longer be solved within the context of proletarian socialist planning, the social-imperialists were forced by the internal logic and necessity of their political line to turn to capitalist methods. With the Bolshevichka-

Mayak experiment, the new capitalists got their feet wet in the waters of "Lake Profit." But it was not until the fall of 1965, having learned something about the water, that they finally took a real dive.

6) The Economic "Reforms": Profit in Command

On September 27, 1965 Premier Alexei Kosygin spoke before a plenum of the Central Committee of the CPSU. The purpose of his talk was to announce a widespread "reform" of the economy designed to put enterprises on a more self-governing basis and to restore profit and other "economic regulators" to the command post of the economy.

Kosygin began by outlining briefly some of the problems faced by the Soviet economy. He pointed specifically to the decline in industrial output per ruble of fixed assets, a disappointing rate of growth in labor productivity and a lag in agricultural development.

In his view, these problems and others stemmed from insufficient development of management skills and techniques. For the economy to function well, he claimed, it would have to be managed effectively and this could only come about through the introduction of material encouragements to managerial initiative within both the individual firm and the economy as a whole.

According to Kosygin:

"The greatest attention should be focused on improving the methods and forms of industrial management. The existing forms of management, planning and stimuli in industry are no longer in conformity with modern technical-economic conditions and the present level of the productive forces."

"The economic initiative and rights of enterprises are too narrow and their area of responsibility is insufficient. The cost-accounting system is in many ways a formality. The existing system of material encouragement to industrial personnel does little to interest them in improving the overall results of the work of their enterprises and often operates in contradiction to the interests of the national economy as a whole."⁴¹

Accordingly, Kosygin offered several proposals to stimulate the economy. First, but least important, was an appeal to increase efforts at improving scientific and technical standards: "In conditions of the present-day scientific-technological revolution, the task of planning is to provide for a rapid rate of industrial application of the latest achievements of science and technology."⁴² This was in essence a call to further develop reliance on experts and to increase the employment of automation techniques.

More important was a proposal for the decentralization of planning. Kosygin proposed to "expand the economic independence and initiative of enterprises and associations, and to enhance the importance of the enterprise as the main economic unit in our economy . . . To this end it is necessary to abolish excessive regulation of the economic activity of enterprises, to provide them with the necessary

means for developing production, and to establish firm legislative guarantees for the expanding rights of the enterprises."⁴³

Also in connection with this, Kosygin promised to "strengthen and develop the system of cost-accounting, to intensify the economic stimulation of production with the help of such means as price, profit, bonuses and credit."⁴⁴

This was actually the key to the "reform." Kosygin was proposing that some of the methods tried out in the experiments of 1964-65 be generalized throughout the economy. Where in the past control over the economy by the state was political-administrative, Kosygin proposed the broader use of "economic levels." Specifically, the index of gross output, previously the principal measure of enterprise success, was replaced by the index of volume sold as had been done in the Bolshovichka-Mayak experiment. Moreover, Kosygin noted that "In order to orientate enterprises toward raising efficiency, it is best to use the profit index."⁴⁵ Here, he cautioned that profit should not be seen merely as an accounting category but that "amount of profit per ruble of fixed assets" (i.e., rate of profit) must also be considered.

In planning, all but five indices previously set by higher authorities were now to be set at the enterprise level. According to the "reform", only volume of sales, basic assortment of product, total size of wage fund, profit and profitability (rate on capital), and payments into and allocations from the state budget were still to be centrally determined. All other factors including productivity rates, number of personnel, and level of average wages were now to be set by the enterprise management according to its needs. However, major investment in additional plant capacity or major technical modernization projects were still to be centrally conceived or approved.

Under the new system a larger share of profit would stay at the enterprise level. In the past nearly all such profit went directly into the state budget where it could be allocated according to planned social decision. Kosygin now proposed that "profits to be left to the enterprise should be in direct proportion to the effectiveness with which it utilizes the fixed assets assigned to it, the increase in volume of the goods it sells, the improvement in the quality of its goods, and the increase in profitability."⁴⁶

Retained profits would thus act as a material incentive to the enterprise as a whole and to its manager, in particular. Profits would go into a production development fund out of which management could set up incentive and technological development programs.

But there was no effort to make the individual enterprises self-financing and thus truly "independent." After all, this would amount to little more than a utopian step backward to competitive capitalism. Capital, under the new system, was still to come overwhelmingly from the state. However, in good banking tradition Kosygin announced that capital grants would begin carrying

a price tag:

*"The financing of capital investment is currently handled by free grants from the state budget. Enterprise managers show little concern as to the cost of the reconstruction of the enterprise or how effective the additional capital investment will be, because their enterprises are not obliged to refund the sums granted them. . . . One way of tackling this problem is to switch from the free allocation of means for capital construction to long-term crediting of the enterprises. . . . It is proposed to abolish the practice of providing free supplements to the circulating assets of enterprises from the state budget and instead, where necessary, to grant them credits for this purpose."*⁴⁷

In addition to supporting increased use of state bank credit, Kosygin also announced institution of the system of charges on capital whereby enterprises would pay to the state fixed sums amounting in essence to "government rental taxation on fixed capital", to use the terminology coined by the leading Soviet economist Nemchinov. As we shall see, this was one of the most important provisions of the "reform." Put briefly, its political-economic effect was to restore to the means of production the character of capital—the state would now employ the means of production to extract a maximum profit in the form of capital charges—and this would establish the state as finance capitalist vis-a-vis the enterprise.

Finally, as a direct result of the previous measures Kosygin announced that a sweeping revision of the Soviet price structure would be undertaken in the interest of putting as many firms as possible on a strict cost-accounting basis; that is, on the basis of maximizing profit. (For a more complete explanation of "cost-accounting" see section 3 of this chapter.) Here Kosygin approached to some degree the ideas of the prices of production school of economists (men like Vaag and Zakharov).

In this vein he remarked that "Prices must increasingly reflect socially necessary outlays of labor, and they must cover production and turnover outlays and secure a profit for each normally functioning enterprise." Moreover, *"The existing neglect of economic methods in planning and managing the national economy and the weakening of the system of cost-accounting are to a great extent connected with the considerable shortcomings in the system of price formation. If prices are not substantiated then economic calculations lose their dependability and this, in turn, encourages the adoption of subjective decisions."*⁴⁸ We shall have occasion to probe beneath the surface of such abstruse statements shortly.

The "reform" was put into effect slowly. The original time-table envisioned all industrial enterprises under the new rules by the end of 1968 and all other state enterprises (except state farms) by 1970. However, 1966 saw just slightly over one per cent of the Soviet Union's approximately 45,000 industrial enterprises converted to the new system. This included a pilot group of 43 select in-

dustrial enterprises from 17 industries with a total of 300,000 employees converted on January 1. This group was followed by a second batch of 200 firms on April 1 and by a third group of 430 in August. In addition, some communications and transport networks were also operating under the new conditions by year's end.⁴⁹

In the following years the pace of conversion continued to be slow as illustrated in the table below.

Commenting on the achievements of the first 704 enterprises during 1966, A. Bachurin, Deputy Chairman of Gosplan, reported that sales had increased by 11%, profits by more than 24% and labor productivity by 8% as compared to the 1965 plans. These increases were substantially above growth rates in the unconverted sectors of the economy.⁵⁰

As the chart below indicates, however, such figures are deceiving. Those enterprises placed under the "reform" represented the "cream" of the Soviet economy. Thus, the 15% of all enterprises operating under the new system by 1967 earned 50% of all industrial profit, and employed 32% of all workers. More than half the 242 enterprises transferred to the new rules in the first half of 1966 had previously registered a rate of profit of over 40%.

Clearly, to get a more accurate assessment of the reform's success, one would need to know the figures for participating enterprises in 1964 and 1965. No such data has been made available, a fact bemoaned even by revisionist economists. What is known is that as the "reform" spread, its "successes" were less outstanding.

Revision of the price system also proceeded slowly. New price lists were established for the light and food industries as of October 1, 1966, and on January 1, 1967 for products of heavy industry effective July 1, 1967. This sweeping revision resulted in a general increase of wholesale prices of 8%, 15% in heavy industry. Further revisions pushed wholesale prices up even further on January 1, 1969 and January 1, 1970.⁵¹

Key to the Kosygin "reform" is the expansion of profit as an economic regulator. According to V. Garbuzov, USSR Minister of Finance,

"the role of profit as a stimulus becomes substantially greater under the new conditions ... Along with other plan indices, profit will become a major economic criterion in the evaluation of the work of en-

*terprises. The size of the profit and the rate of its growth will indicate the contribution made by their workers to the national income, to expanding production and improving the people's well-being."*⁵²

The decision to make profit the principal measure of enterprise success marks a clear step backward toward regulation of the economy by the blind law of value. As we pointed out in a previous chapter, Stalin had stressed that the law of value continues to apply under socialism. This is true because under socialism there is still commodity production and the law of value is that law regulating *all* commodity production. Socialism marks a transition period between capitalism, the highest and most developed form of commodity production, and communism which is the complete elimination of commodity production.

Thus, Stalin argued that it was essential for Soviet planners to take into account the continued operation of the law of value. This meant that indicators such as "profit" were important and that strict cost-accounting procedures had to be followed. However, Stalin argued that it was necessary to increasingly limit the sphere of operation of profit and the law of value. This could happen as the workers more and more seized control of the economy, breaking down the inherited commodity system.

To the revisionist economists, however, it is the law of value which must predominate over "administrative control." Let us take, for example, the arguments of Soviet economist A. Birman in his 1967 article "Profit Today." Birman notes that

*"The experience of recent decades has convincingly shown that it is impossible to attain real centralization of economic planning without freeing planning organs from regulating each of the millions of relationships among economic organizations and building these relationships on the basis of economic accountability. The more planning strives to be "concrete", scrupulous, encompassing, all details, the more difficult it is to maintain genuine planned development of the national economy as a whole."*⁵³

What Birman is getting at here is the simple fact that the planning of a complex economy calls for a multitude of administrative and political decisions. If the planners rely only on themselves they will become bogged down in such decisions, with hopelessly entangled bureaucracy the pro-

TRANSFER OF INDUSTRIAL ENTERPRISES TO CONDITIONS OF "REFORM"

By the end of	no. converted	accounting for % of			
		total ents.	output	employees	profits
1966	704	1	8	8	16
1967	7,248	15	37	32	50
1968	26,850	54	72	71	81
1969	36,049	72	84	81	91
1970	44,300	90	92	(?)	95

Source: Gertrude Schroeder, "Soviet Economic Reform at an Impasse"

duct. Seeing this as inevitable, Birman proposes the law of value ("economic accountability") as a rescue from the administration of detail.

What he fails to see, of course, is that socialism is not based on administration of the economy by a few experts and managers, but rather by the masses of working people.

It is true that centralized planning calls for making millions of conscious decisions each day—decisions which under capitalism are made "spontaneously" in the market. But under socialism there are many more millions of conscious workers to help make such decisions. This is why central planning can only be and must be a mass process. And this is also why the failure to apply a correct proletarian political line must inevitably lead to the restoration of capitalist relations of production.

Not basing himself on this crucial political principle, Birman must conclude that "there are no grounds to deny the definite regulating role of the law of value under socialism." In his view, *"it is not the law of value but the forms of its action, its manifestation, that are specifically capitalist in nature . . . So the trouble is not the 'regulating role of the law of value' in general, but the uncontrolled nature of this regulation, its economic, social and political consequences under capitalism and the private ownership of the means of production."*⁵⁴

This is a thoroughly ass-backwards approach. The law of value is precisely the regulator of private commodity exchange whose highest form is the private control of the means of production themselves, marked by the complete separation (alienation) of the direct producers from the means of production. To say that the "trouble" is the uncontrolled nature of this regulation is to accept such regulation and thus accept in some form or another the continuation of private commodity production.

This has nothing in common with the revolutionary approach of Karl Marx who foresaw the complete elimination of commodity production. It is much more similar to the reformist stand of J.M. Keynes who sought to better "regulate" the anarchy of capitalist production through bourgeois government intervention designed to keep under control the consequences of such anarchy.

According to the revisionists, a principle function of profit under socialism is as "an important synoptic index for evaluating an enterprise's cost-accounting activity." By this they mean that enterprise success vis-a-vis the economy as a whole is most fruitfully measured through the profit index. This is because "the main virtue of profit as an index is its objectivity."

This gets right to the root of the matter. "Objectivity!" What does this mean? Precisely it means the domination of objective reality (nature) over man and not the domination of man over his world. Yet the essence of socialism is not this "objectivity." It is the growth of man's conscious domination over his own society and the conditions of human existence.

This is exactly the opposite of the revisionist approach. The revisionists despair of increasing the domination of humanity over society and nature because as a class they do not represent the interests of all humanity. Only the working class can carry on its banner the liberation of all people, for in liberating itself the working class must make everyone a proletarian and thereby eliminate all classes. The social-imperialists are eager to bow down before the "objective" laws of commodity production since these are based precisely on the continued subservience of humanity to nature, and more important, on the subservience of the masses of people to a few exploiters.

Starting from the notion of profit as an index of production efficiency, it is but a brief journey toward the notion of profit as the very center of production itself. Thus, we read in Birman's article: "Profit is the source of expanded reproduction not only at the given enterprise, but in society as a whole . . ." ⁵⁵(emphasis in original) This clearly means that the basis of economic growth (expanded reproduction—that is, not simply the replacement of the used up productive forces, but their expansion) is not the continued efforts of living labor, but employment of living labor by accumulated labor, i.e., by capital.

The revisionists now define profit as a percentage of invested capital. On this basis profit can only mark the source of expanded reproduction through the primacy of capital over labor and this means that profit must represent not just surplus product but surplus value, too. We shall have more to say on this in section 7, when we discuss the Soviet drive for increased labor productivity.

With respect to the reform of prices, Birman hits the nail on the head in defining its source. He says: "The practical conversion of profit into one of the leading economic indices brings the problem of improving price formation to the forefront." ⁵⁶

This was because previously, prices were not set to reflect the demands of the law of value, although these were of necessity taken into account. As much as possible, prices were set according to conscious, politically determined criteria; in other words, with the best interest of the masses in mind. However, profit is a meaningless indicator unless prices permit the determination of an average rate of profit; i.e., unless prices reflect "values": socially necessary labor time. Thus, according to Garbuzov, "Prices must be as close as possible to the socially necessary labor expenditures; they must create conditions for the operation of enterprises with normal profits . . ." ⁵⁷

This marks a repudiation of conscious collective control of the economy by the proletarian state characteristic of socialist planning and instead puts forth the "regulated anarchy" of state-capitalist "planning." Under socialism the most important coordinating agent between the interests of the individual enterprise and the economy as a whole is political line. This means that, increasingly, the development of production

is governed by the conscious will of the working class; that the workers organize the economy through planning and that in the process of doing this the lessons learned are summed up by the workers' own Communist Party on the basis of Marxism-Leninism. The political line of the Party represents this summation which is then returned to the workers so that the whole process can be strengthened, deepened and raised to a higher level.

However, under the conditions of "reform", "price is the basic economic point of orientation for the enterprise", and it is "the most important instrument of coordination of the interests of the national economy and the individual enterprises..."⁵⁸ This means that the conscious summing up of experience which places politics in command has been abandoned. Thus, shortly after the enactment of the "reform" we find influential economists like N. Fedorenko demanding that "only the prices of the most important products should be set by the central authorities... Much wider powers should be given to the enterprises to set contract prices."⁵⁹

While the reintroduction of profit as the central regulator of the economy marks a decisive step in the reinstitution of capitalist production relations, its practical function was mainly to regulate the decentralization of economic decision-making. However, as we shall explain more fully in section 8, the decentralizing thrust of the "reform" disguises its *really capitalist* essence.

For Kosygin had no intention of reviving a market economy in the Soviet Union. Rather he was interested in harnessing spontaneous market forces (commodity relations) to better serve the interests of the centralized state-finance bourgeoisie. Thus, while bringing the category of enterprise profit to center stage, at the same time he instituted measures which placed control of this profit—and, more important—control of the labor power which produced it—in the hands of the state.

This was most clearly done through the institution of credit relationships. In the past, under socialism, the Soviet state treated the capital under its control as a resource for the whole population. Thus, when an enterprise needed more capital to expand, it received this in the form of a free grant. The distribution of such grants was decided by the planning authorities (under Party direction) according to the overall needs of the economy and of the working class. This is very different from the capitalist method of seeking the highest "return" on your "investment."

Under the "reform", this system was abandoned. Enterprises were now to finance their capital expansion either from their own profits or by means of loan capital obtained at interest from the state. Clearly under this latter arrangement, the state represents the finance capitalist while the enterprise management plays the part of industrial capitalist. Moreover, under this system the means of production come to be treated as "income-producing" capital.

The reintroduction of bank credit acts to restore to some extent the existence of a capital "market" within the confines of the state monopoly. By this we certainly do not mean that the state revisionists have reintroduced a stock exchange where trade in capital (and thus in surplus value) takes on an open, brazen form. This is hardly the case.

However, to treat capital as a commodity it is not necessary to sell it in the marketplace. The assignment of capital over to another in the expectation of receiving a predetermined return, generally in the form of interest, is also a type of commodity exchange.

This can be seen most clearly when a U.S. capitalist goes "shopping" on the money market to different banks for a loan. Here he seeks to pay the lowest interest on his capital requirements. He wants to share with the bank the smallest portion he can of the surplus value which the workers he hires will produce. This is true as well for big firms enjoying a steady monopoly relationship with a single banking group. The economic essence of this procedure is for all intents and purposes duplicated when a Soviet firm goes to the state to negotiate credit. In both cases the industrial capitalist "bargains" for a price—the interest rate—on the commodity: capital (i.e., the right to exploit and control the surplus value produced by wage laborers). Thus, with the economic "reform" capital reappears as a commodity to be bought and sold, though this takes on a new and "hidden" form.

Yet we should also note that the institution of credit mechanisms could, under proper conditions—including, first and foremost, proletarian rule—serve a certain useful function, and it is this which the revisionists use when justifying this aspect of the "reform." Specifically, under the old system it was possible for a corrupt or inefficient manager to waste or otherwise improperly utilize granted funds. In fact, this was a common occurrence in Soviet industry.

Managers would pull strings to get capital greater than their real needs so that little attention would have to be paid to efficiency and economy. After all, such funds came at no cost to the enterprise! The most effective way to fight such abuses was to mobilize the vigilance of the workers and to wage vigorous and patient ideological struggle against the kind of "me-first" ideology which lay behind this. However, it is clear that the institution of interest payments for capital could also help.

It is for this reason that the Chinese rarely grant funds freely. In their economy the existence of credit relationships between the state and the enterprises is widespread. However, we must point out that here credit plays a very different role than in the Soviet Union today.

While the aggressive designs of the two superpowers have forced China to divert significant production to strengthening the national defense, this has not placed quite the same kind of burden on the economy as did imperialist encirclement in the Soviet Union. This is one re-

ason why the pace of industrialization has not seemed so forced in China and why economic development has been somewhat more balanced than in the Soviet Union.

Because the Chinese have been able to place relatively more investment in agriculture and light industry than did the Soviets, the Chinese economy has a much larger collective—not state-owned—sector. The Chinese population is still 80% peasants, while in the Soviet Union today only 41% of the population is rural. This means that the persistence of commodity relations is greater in China than in the Soviet Union and this was even true when the Soviet Union was at a more comparable level of economic development. In addition, investable resources are much more scarce in China than in the Soviet Union today, and economy in their social use is a more pressing concern.

As we noted previously, in summing up both their own experience and the lessons of the Soviet past, the Chinese have chosen to place somewhat greater emphasis on the step-by-step resolution of the mental/manual and town/country contradictions than did the Soviet Union under Stalin. In connection with this, they have tended to proceed more slowly in restricting the sphere of operation of the law of value.

Nevertheless, the Chinese have worked from the beginning toward the gradual elimination of all commodity relationships, including state-enterprise credit relations. As progress is made in this direction, the role of credit in the economy is decreasing. Interest rates are established to ensure that enterprises, both state-owned and collective, maintain the efficient and economical use of invested funds. Such rates are not set to ensure an effective return on investment, and in some cases funds may be freely granted.

In China the interest rate on state credit acts as an additional check on enterprise management, *supplementary* to the ideological and political mobilization of the working class. Today these rates are very low and do not play a regulating role. Nonetheless, the continued existence of state-enterprise credit relations still represents an inheritance from capitalism which must be (and is being) overcome in the course of building socialism.

In the Soviet Union, however, according to spokesmen for the social-imperialists, "the role of interest in assuring a system of planned proportions in socialist expanded reproduction is growing."⁶⁰ In other words, profit, including profit in the form of interest for the state finance capitalists, is the commanding principle of the economy in determining where (in what area of production) funds are invested. At this stage, after several decades of the state granting free use of funds, the new credit policy is clearly a step backward into capitalism.

According to a 1971 article in *Finansy SSSR*, most Soviet economists "adhere to the view that the effectiveness of bank loans should be up-

permost in the economic substantiation of interest rates."⁶¹ This means that the rate of interest will be established not according to how effectively this will regulate the efficient use of investment by enterprise management; but instead according to how effectively such loans will yield financial returns. One economist, S. Sh-teinshteyger, went straight to the essence of things when he declared that "interest is a planned measure for increasing the value of sums loaned by the bank."⁶² Can there be a more concise description of income earned by *loan capital*?

According to one Soviet source, "over 65% of the circulating assets in trade are borrowed and interest is paid for the use of them."⁶³ Under the "reform", the relationship between the enterprise and the state is not solely one of firm to banker. There is also an element here of the relationship between a monopoly capitalist corporation and one of its subsidiaries. Despite decentralization, the state remains the legal and actual owner of the enterprise.

Thus an additional financial link was created to express this. It is known as the capital charge, whereby, according to a complicated scheme, each firm must pay to the state a yearly charge on its productive capital. The need to justify this new category has forced Soviet economists into some revealing rationalizations and it will be useful to examine the debate which developed over this question.

One faction among Soviet economists views the basic function of the charges on capital as an economizing incentive. As such their "content as an economic category lies in the fact that (they) appear as an economic stimulus to the better use of productive capital."⁶⁴ This is the view of V. Sitnin, in charge of Soviet price policy. However, as another economist succinctly noted:

*"the advancement of the stimulating function of capital charges as a factor determining the essence of the charges is tantamount to confusing cause with effect. Capital charges stimulate expedient utilization of fixed and working capital insofar as they express a certain objective economic content. The interpretation of capital charges solely as an economizing incentive is superficial, since it does not explain why capital should be saved nor provide substantial principles for calculating the size of the charges."*⁶⁵

In other words, capital charges may be introduced in part because they act as an economizing incentive, but this does not adequately explain what this particular form of incentive means objectively for the economy.

To get around this problem, Liberman and others proposed that the charges be considered as a government tax on productive funds. But this, too, must be rejected because "any tax is based on some specific type of income. Taxes do not produce income but only redistribute it."⁶⁶ Since the state owns the enterprises it would be

absurd to view this payment as a tax. For how can the state tax itself?

True to form, members of the prices of production school proposed that capital charges be considered as part of enterprise production costs representing in essence depreciation on investment. Unlike the two previous definitions, this is not just an attempt to fudge over the true economic content of the charges with sleight of hand book-keeping methods. However, this definition presupposes the independence of the enterprise from the state, implying that ownership and control rests with the individual firm.

This is fully in tune with the production price school's apparent aim of making the Soviet plan into a full reconstruction of Marx's model of a competitive capitalist economy with the state benignly supervising from above. But it is *not* in line with the intentions of the social-imperialist bosses or with the realities of the Soviet economy at its actual stage of development. Firms continue to be controlled by the state and this control is not just a paper thing.

If the capital charges really represented the costs of depreciation—and were not part of the surplus value newly created in production—these costs would ultimately have to be paid out in return for something concrete needed for production. In other words, were they really depreciation costs this would mean that the enterprise had actually *purchased* the depreciating plant and machinery from the state.

The only remaining explanation offered by Soviet economists is that "capital charges are the rental assessment of equipment and other elements of productive capital."⁶⁷ This finally gets to the heart of the matter. For what is precisely at issue here is the *employment of capital in order to gain a financial return*. In this case it is a return on capital invested by the state-monopoly capitalists. This means that the goal of production has now become the creation of surplus value and the ripping off of that value by the capitalist class. For state income to reflect this change and for the state-monopoly capitalists to get a cut of the loot, reflecting their predominant role as owners of the means of production, it is essential that state income be based upon capital investment and on this alone.

And sure enough, Soviet economists admit "that, in time, this payment will become the basic form of payments to the budget!"⁶⁸ In the past, of course, the state budget was financed mainly through income obtained from state-owned productive enterprises. But this income did not take the form of capitalist profit because it did not vary according to how such capital was invested.

The capital charge amounts in essence to a rental-type form of distribution of surplus value designed mainly to give the state its share of the surplus value produced in industry. Secondly, by means of a complex formula the capital charge attempts to equalize the rate of profit in different industries, without success, as this is not possible under conditions of monopoly.

Along these lines, the nature of capital charges is further exposed when we find that the institution of capital charges inspired at least one economist, B. Rakitskii, to propose a similar rental charge on manpower resources. Starting from the premise that the state as owner of all capital had a right to charge its subordinate enterprises "rent" on funds furnished, Rakitskii suggested that the state could also rent out workers! Supposedly this would assure a more "rational" deployment of manpower. Whereas the institution of capital charges marked a decisive step in capitalist restoration, Rakitskii's proposal would indicate a move toward "state-feudalism" or even slavery, since it would actually deprive the worker even of ownership of his own labor power.

Rakitskii's proposal has not yet been seriously considered by the social-imperialists. However, it does reflect in gross form the essential character of the "reform." This has been to systematically reintroduce and markedly increase the exploitation of the working class—the theft of surplus value produced by the workers for the use of an alien class. To better comprehend this fact, we must analyze the social-imperialists' much-publicized drive for increased "productivity."

7) Exploitation of the Working Class

Under socialism the Soviet economy was developed mainly on the basis of "extensive" rather than "intensive" investment. This is an important distinction. Any economy, of course, must strive to develop production to the fullest extent. And within the sum total of goods produced, a section—the surplus—must be reinvested in order to maintain the dynamism of growth. Under socialism such reinvestment can serve the additional purpose of easing the burden of labor for the workers. Such socialist investment is termed "extensive" because it *extends* production on the basis of the achievements of previous production and not at the expense of the working class.

"Intensive" investment is instead based upon intensification of the labor process itself. Here reinvested product takes the form of surplus value and it does not serve to ease the burden on the worker but to increase that burden. This means that an increasingly substantial segment of growth comes from speed-up and similar labor-intensifying measures. The introduction of new capital is not an added resource for the worker but is yet another mechanism for strengthening the worker's subjugation by capital. Extensive development would mean the construction of new plant and machinery. Intensive development might also mean the improvement of machinery, but only insofar as this facilitates a faster production line.

Since capitalism is based upon the extraction of surplus value through the employment of living labor by capital, it is obvious that intensive development must be primary under this system. Socialism, of course, does not stand for anything

less than the most efficient and productive use of labor. But under socialism such efficiency does not stem from the need to maximize the extraction of surplus value. Rather, since the products of work under socialism are controlled by the workers themselves through the proletarian state, developing the efficiency and productivity of labor becomes a social responsibility. This is because production serves the people and not the other way around.

Under socialism the creative initiative of the workers themselves is liberated to devise new methods and techniques. We have seen how this can happen in our discussion of the Stakhanov movement. While this serves to stimulate economic growth, it cannot provide the basis for that growth since any retreat from extensive investment will result only in the workers losing the motivation to improve efficiency. Thus, again, extensive development of production was the foundation of increased labor productivity under socialism in the Soviet Union.

With the introduction of the "reform", the social-imperialists turned from extensive to intensive development of the economy. According to Birman, "the growth of social production should proceed not on an extensive, but on an intensive basis, that is, in such a way that the expenditures of social labor per unit of output decrease and the additional return from the application of this labor increases."⁶⁹ And in Brezhnev's announcement of the 1971-75 Five Year Plan, it was revealed that over 80% of all industrial growth would come from increases in labor productivity.⁷⁰

We have seen how in agriculture the decentralizing aspect of the *zveno* system masked an increased intensification of agricultural labor (see section 3 above). Similarly, in industry the decentralizing thrust of the "reform" worked to facilitate greater exploitation of the industrial workers. Specifically, the main vehicle for achieving this was the wage and bonus system.

Before the "reform" all wages were set according to plan. However, under the "reform" only the total size of the enterprise wage fund was predetermined. Managers were given free rein to establish a wage hierarchy according to their own desires.

Under socialism where the general principle is, "from each according to his ability, to each according to his work", some equalization of wages did occur but full equality was not yet possible. This was because with the limited technical base of the economy, jobs were not equally productive. For example, a steelworker at Magnitogorsk might produce far more actual value than did a textile worker sewing garments at a single machine.

Wages under socialism did not fully reflect this discrepancy, however, because the proletarian policy was to push forward toward greater unity and equality wherever this was possible. Hence, though differences—sometimes quite large—did exist, in general skilled, productive work was, in effect, underpaid while wages for less productive

jobs were supplemented. Similarly some skilled positions were better paid as an incentive to advancement, but at the same time political motivation was also used.

The transfer of wage determination to the enterprise management changed all this. Now motivated by the need to achieve ever higher profits, the managers abandoned all political considerations in wage policy. The new practice was to set the wages of highly productive, skilled positions higher, and unskilled, less productive work lower. This reflected the fact that once again, as under capitalism before, labor power had become a commodity bought and sold according to its value.

Even more important than the change in wage determination was the incentive system adopted under the "reform." This was designed to get the workers to work harder and to increase labor productivity.

In theory the system resembles a corporate "profit-sharing" plan. For the first time profits originating with the enterprise were placed at the disposal of enterprise management. A good chunk of this was to be plowed back into productive investment through a "production development" fund controlled by enterprise management (and thus representing totally unplanned growth.) However, another—often larger—portion was placed in incentive funds designed to reward productive workers, technicians and management with bonuses. These are mainly keyed to fulfillment and overfulfillment of the profit plan. By 1970 such incentive funds amounted to an average of 10% of the total Soviet wage fund.⁷¹

It is beyond our scope here to attempt an analysis of the complete workings of the incentive system, as this is extremely complex. According to the bourgeois economist Gertrude Schroeder, "The ministries establish norms for the formation of these funds based on a complicated set of formulas. Although standard and stable norms were supposed to be fixed for various categories of enterprises, the ministries have in the main fixed separate norms for each enterprise and changed them at least annually."⁷² Moreover, in 1968 for example, at least 30 additional special bonus plans existed as supplements to the basic incentive program.⁷³

Such complexity is not accidental. It exists to cover up the fact that the incentive system is designed to fool the workers into harder work. Its more important goal, as a study of the system's operation in Kiev revealed, is "chiefly to improve the earnings of engineering and technical staff and white-collar employees."⁷⁴

For the social-imperialists to be successful in establishing profit as the goal of production, it was necessary for them to cut the enterprise managers in on the action. And this had to be done in a way which tied the growth of managerial income to enterprise profit success. As much as anything else, the "reform" aimed at spreading the capitalist outlook of the social-imperialist leadership throughout lower and intermediate

levels of economic management.

The incentive system really involves only the state and its managerial staff in the profit-sharing. For instance, within one month the manager of the Lipetsk Industrial Engineering Trust got bonuses (amounting to 1,300 rubles) seven times more than an ordinary worker's wage for two years.⁷⁵ In enterprises placed under the new system in 1966, white-collar managerial employees increased their income by 10.3%, engineering-technical personnel by 8.2% but workers by only 4.1%. Bonuses paid out of profits for the fourth quarter of 1967 amounted to more than 20% of average wages of two privileged groups, but to only 3.3% of the average wage of workers.⁷⁶

In three Kiev enterprises bonuses as a percentage of earnings rose for workers from 4.7% to 6.4%. But for engineers and technicians they increased from 20.3% to 28.1%, and for white collar staff from 20.8% to 23% following introduction of the "reform." In the words of this study, "Not very much was disbursed to workers from the Material Incentive Fund in the form of bonuses."⁷⁷

But this should not be taken to indicate that the incentive scheme was *merely* a managerial rip-off. Of course, this it was. Yet it was still also aimed at solving the problem of increasing productivity on the basis of intensive investment. In doing this the main goal was to tie the managers into the system, creating in them the "need" to maximize productivity and thus profits and bonuses. The workers' share of the bonuses existed mainly as a disguise. The real way the system gets the workers to work harder is by encouraging management to force them to.

All this means that with the reform's introduction, conditions in the factories changed drastically for the worse. With the maximization of profit as the goal of production, intensive development came to the fore. On the basis of its capital investment, the state extracted its share of the surplus value produced by means of interest and capital charges. On the basis of their success in fulfilling the profit plan, the managers and technicians get bonuses. (They can also act as junior independent capitalists in their own right through their control of reinvested profit in the Production Development Fund.) As for the workers who produce all this wealth, the "reform" gave them nothing but trouble.

We have already spoken briefly of speed-up, which now characterizes Soviet industry as much as it does industry in the U.S. In addition, the need to exploit cheap labor has led some firms to employ children at long hours and low wages. This was the case, for example, at the "Metal-Worker" Factory and the Aurora State Farm in Sverdlovsk.⁷⁸

However, one of the most important methods of increasing productivity, intensifying labor and thus raising profits is the outright sacking of supposedly "extraneous" workers, accompanied by speed-up of those left. According to the Soviet economist E. Manevitch,

*"not infrequently there are many people employed at enterprises who are not needed at all. They do not have an adequate work load and often perform functions that have nothing to do with production. A surplus of workers at industrial enterprises is not conducive to the strengthening of labor discipline and to the rational use of labor time."*⁷⁹

The "reform" acted to "solve" this problem. As N. Fedorenko notes:

*"Among the other factors making for higher profit is improved employment of manpower... This was facilitated in many ways by the fact that the enterprises have been relieved of the duty to plan the number of workers and their distribution by functions as directed from above. For the first time in many years of economic activity, employment in the enterprises working under the new system was 0.8% below the planned figure. In some of the enterprises the absolute number of people employed has actually decreased, although up to 1966 it invariably increased. The redundant workers have found employment at enterprises continuing to work under the old system."*⁸⁰

We can only ask here what has happened now when there are no longer any enterprises left "under the old system"! Of course, under socialism it was also sometimes necessary to "lay off" workers, and it is probably also to some extent true that Soviet enterprises today have more than their fair share of extraneous employees. The latter is not surprising considering that since 1956, managers have been increasingly encouraged to look for the easy way out. However, under socialism such abuses were fought ideologically, and managers found that padding the payroll could be severely punished. Moreover, workers who were no longer needed in one enterprise, construction project, etc. were shifted in a planned way to new endeavors which were the product of extensive development. So the term "lay off" in the capitalist sense—workers cut loose with no guarantee of other employment, able to find work only if they can sell their labor power to a different capitalist to make profit for him—this does not exist under socialism.

Under the "reform", the Soviet workers are reduced exactly to the position of sellers of their labor power to capitalist exploiters. Increasingly investible surplus is derived from intensive exploitation of the workers. And as Federenko indicates, this means a decrease in the work force. Hence, for example, to increase their rate of profit five truck and auto companies in Moscow and Leningrad discharged 239 workers, 4% of total staff, in five months. And the Red October Iron and Steel Works implemented the "reform" by closing down two of its older workshops, throwing 730 workers onto the streets.⁸¹

But one hitch was quickly found in the reform mechanism. The size of the incentive fund is tied somewhat to the size of the wage fund which is in turn dependent on the number of employees. The

problem was that there was little incentive to increase productivity by laying off workers, as this only decreased the funds available to management from the incentive fund. And in fact "the tendency to overstate the planned wage funds leads to the employment of excessive manpower."⁸²

A "brilliant" solution—one which was not at all original, but a tried and true capitalist answer—has been found, however. In 1969 the management of the Shchekino Chemical Combine came up with a plan to increase the bonus fund for those workers retained by transferring money saved from the wage fund by laying off other workers. This could be done because the wage fund, unlike the bonus fund, is set for several years in advance by the central planners. Initially the scheme met with tremendous resistance, mainly from the Shchekino workers. Several workers protested their firings and appealed to the highest court in the land. One worker summed things up when he declared: "What?! My comrades fired so I can get higher wages?!!"

Nonetheless, in October 1969, the Party Central Committee endorsed the scheme. In late 1970 the Shchekino "experiment" was formalized with a decree on the matter issued by the Council of Ministers. This included detailed regulations for systematically applying the program elsewhere. By January 1971, 121 enterprises with a total work force of nearly $\frac{3}{4}$ of a million workers were reported to be trying the scheme. The plan was to reduce the work force of these firms by some 65,000 within two or three years.⁸³

After a year of such experimentation throughout the economy, labor productivity increases were double the average for the economy as a whole. "While the volume of production grew considerably, the personnel at these enterprises was reduced by 23 thousand..."⁸⁴

The social-imperialists pose the Shchekino plan as a model to be emulated throughout the economy and they trumpet its results in all their propaganda. The booklet, "Labor Remuneration, Labor Incentive Funds and Soviet Trade Unions" by I. Lazarenko, brags that "the 3-year experience of the Shchekino Chemical Combine has yielded good results." Such results include a 108.1% increase in labor productivity with only a 30.7% increase in average wages (for those lucky enough to still have work).⁸⁵

At the Shchekino Combine itself, where the number of workers so far has been cut by a thousand, management is still trying to work out provisions for those unfortunate enough to be "displaced by technical progress." Letters to *Pravda* and *Izvestia* have indicated "a popular uneasiness about the prospects of unemployment."⁸⁶

Such uneasiness is indeed well grounded, for unemployment is the only possible result as this plan is extended to all enterprises. Even Soviet economists admit that "With the growth of the number of enterprises adopting the new system, the scope of dismissals in the labor force will also grow..."⁸⁷ This has led to the necessity of opening 80 unemployment offices with the task of

replacing discharged workers. (We will deal more with the problem of unemployment and how it affects the Soviet working class in Chapter V.)

The basis for unemployment under capitalism is private ownership and control of the means of production and the need of the capitalist to extract increasing amounts of surplus value from the workers. This is true in the Soviet Union today. Since the triumph of the bourgeois political line in 1956, the problems of the Soviet economy could only be solved on a "self-regulating", profit-oriented basis. This has forced the social-imperialists, led by Brezhnev and Kosygin, to adopt the economic "reform." As we have seen, this "reform" returned profit to center stage and restored to the means of production the character of capital. This in turn meant that labor power was once again reduced to a commodity to be bought and sold by the capitalist class.

This made intensive development of the economy essential because profit on capital can only come from the labor of working people. When these workers do not control the product of their work, collectively through a proletarian state, that section of the product they produce which goes beyond what they need to live and reproduce confronts them as surplus value in the hands of the capitalists. This is the fundamental law of capitalist society and it is therefore the fundamental law of social-imperialism, too.

8) Will the Real Bourgeoisie Please Stand Up?

So far we have spoken extensively of the increased role played by managers and technicians under the "reform." But though they have always been and remain today an important segment of the Soviet bourgeoisie, these managers and experts are not the real power holders. The real state-finance capitalists are those high bureaucrats and Party officials who control the central state apparatus. For purposes of clarity, it is useful to view the lower level managers as industrial capitalists subordinate to the state bureaucrats and high Party officials, the top dogs of the Soviet ruling class whose power is based upon state-monopoly control of the economy.

The introduction of a competitive market economy is not the means through which capitalism has been restored in the Soviet Union. Under the "reform", central planning was retained and control of the economy continues to rest in the hands of the Party and state leaders who, in the final analysis, direct the planning process. Of course, as we have noted, the "reform" did initiate certain concessions to managerial control and enterprise independence and, financially, the managers were among the chief beneficiaries of the changes. But we cannot stress enough that such "decentralizing" aspects of the reform were only intended to firm up the alliance between the central state capitalists and their underlings.

All this was clearly indicated by Kosygin in his speech announcing the "reform". Here he stated that

*"The proposals put forward for consideration at the plenary meeting have as their point of departure the leading role played by centralized planned management in developing our economy. Deviation from this principle would inevitably lead to the loss of the advantages offered by a planned socialist economy."*⁸⁸

By this Kosygin meant that any independence granted to the individual enterprises was designed only to strengthen the overall position of the state. Though in many respects formally "set loose" from the restrictions of planning, the "reformed" enterprises continued to be subordinate to central authority.

This was stressed also by A. Bachurin, head of Gosplan, in a 1968 article in the authoritative economic journal *Planovoe Khoziasstvo* (Planned Economy). He states:

*"The question comes to establishing an optimal relationship between planning and initiative, under which there will be a maximum coordination of the interests of each enterprise and its collective with those of society as a whole. It is this that constitutes one of the principal tasks of the reform, and by no means abandonment of the methods of planned economy with conversion to the techniques of a free market mechanism as the principal regulator of the economy."*⁸⁹

This was very quickly recognized by those few managers who were under the illusion that power had passed to them. Complaints by managers of "petty tutelage" by the central ministries have been quite common since the "reform's" enactment. In a 1970 survey of 241 directors of enterprises in Siberia and the Far East, 56% of those polled stated that the reform was insignificant in expanding enterprise independence and the power of the factory director; 34% complained that insufficient enterprise independence was the main difficulty faced by their firm under conditions of "reform."⁹⁰

It is necessary, then, to stress once more that the Soviet Union is *not* in the stage of competitive capitalism, but is an *imperialist* country. Moreover, the development of competitive capitalism, that is, of an unregulated market economy, would not mark a further degeneration into capitalism as some would have it. In fact, the kind of "planned" state capitalism which characterizes the Soviet economy today is a *higher* stage of capitalist development than pure competition on the market.

This is why we have not placed much emphasis on certain aspects of the "reform" which do introduce elements of the market, even though some analysts have seen in these key links in the re-establishment of a fully capitalist economy in the Soviet Union. For example, we have not stressed the introduction of the Production Development Fund whereby enterprises can invest profit independently of the plan. Though of some significance, this fund in most firms amounts to only between 2% and 5% of the value of fixed capital. This is not enough for the enterprise to

make any significant investment on its own. In 1969 an average of only 15% of all profit was retained at the enterprise for investment and incentive payment purposes.⁹¹

To a certain extent, the "reform" also established free trade in producer goods which meant in effect the establishment of a wholesale market for the means of production. Some have seen in this the key to capitalist restoration and the re-emergence of the anarchy of production. However, in reality this was a relatively insignificant development. In late 1969 only 460 small wholesale stores were in operation with a total turnover of 800 million rubles. This amounted to less than 1% of total exchange in producer goods. The remaining 99% was allocated and paid for centrally, according to plan.⁹²

In our view, the key aspects of the "reform" are those we discussed in section 6 of this chapter. These are the introduction of profit maximization as the goal of production and the consequent realignment of the economy according to the dictates of the law of value, and also the institution of capital charges and interest leading to the treatment of the means of production as capital. While certainly restoring market categories to a place of prominence, these measures are not dependent upon or even indicative of the abandonment of planning and central state control. They indicate only that such control is no longer "conscious" in the sense of the working class taking the economy in hand and running it for the benefit of the broad masses.

Thus, the position which states that "whatever strengthens the market strengthens capitalism" really misses the point. The Soviet Union as an imperialist country has a state-monopoly economy. Within this economy, anarchy of production reigns because the production of goods is subordinate to the production of profit. This, in turn, stems directly from the loss of state power by the proletariat. However, this economy is of a different type than, for example, the so-called "market socialism" which characterizes the Yugoslav economy.

Yugoslavia abandoned the construction of socialism almost immediately after the seizure of state power by Tito's "Communists." Thus a real socialist economy had no chance to develop there. Instead, the Yugoslavs have built up a competitive capitalist economy which may be one of the last examples of such an economy left. Under state supervision, monopoly, both foreign and domestic, has been kept under control and a myriad of small to medium-size businesses, supposedly managed under "workers' control", compete in relative freedom (and absolute anarchy) on the open market. The regulating roles of both state and Party are minimal and the plan means very little.

This is not, as some would have it, *more capitalist* than the kind of centralized state-monopoly found in the Soviet Union. It is a different form of capitalism indicating Yugoslavia is at a much lower stage of development than is

the Soviet Union. And the Yugoslavs have been "successful" only because they have so far managed to skillfully maintain a degree of independence vis-a-vis the two superpowers.

In fact, the Soviet economy bears a lot stronger resemblance to the fascist economy of Nazi Germany. And this is why Marxist-Leninists like the Chinese and Albanians often label the Soviet Union "social fascist." Under the Nazis all sections of German imperialism were subordinated to the state bureaucracy run by the Nazi party. In return for abandoning a certain amount of "independence", the big corporations were rewarded in a number of ways. Primary, of course, was the vicious repression directed against the working class and other mass movements. But also important was the "corporatization" of the economy which saw the destruction of tens of thousands of smaller competitive firms.⁹³

In the Nazi economy, competition between monopolies was held in check by the state which used its control over military spending as one key level of authority and influence. The economy, of course, remained thoroughly capitalist but the state played the leading role.

But this situation was fraught with contradiction and within 12 years led to disaster for German imperialism. These same contradictions wrack the Soviet economy today and no "reform" can ever alter the situation.

In any capitalist economy, the fundamental contradiction is between the social nature of production and the private nature of appropriation. This must lead to a "tension" between centrifugal (decentralizing) and centripetal (centralizing) forces: On the one hand, the anarchy of production and the spontaneity of the market, on the other hand, the tendency toward concentration and monopoly. These two tendencies exist together and the development of one does not mean the elimination of the other. In fact, as Lenin noted, the development of monopoly *increases* competition, and exists together with it.

The social-imperialists are faced with this contradiction as are all capitalists. In pursuit of profit they have become increasingly enslaved to the spontaneous law of value. This means that their economy develops unevenly and anarchically and that competition between different groupings within the economy is inevitable. Unable and unwilling to rely on the masses, the Soviet rulers must turn to the law of value to regulate production. But this implies the unshackling of market forces and, to a certain degree, restoration of "independence" to the individual enterprises. In one sense, the 1965 "reform" marked a concession to the demands of this centrifugal tendency.

On the other hand, however, stands the centralizing force of state power—the concentration of economic and political power in the hands of the bourgeois state and its monopoly Party. This centripetal force is the force of monopoly, but monopoly far more highly developed than under "traditional" imperialism because it is the inheritor of socialist state ownership. The extreme

centralization of power which state-monopoly implies stands in direct contradiction to the "natural" gravitation of restored capitalism toward spontaneity, anarchy of production and ultimately the market.

This contradiction is what lies behind the continuing flip-flop which the social-imperialists are forced to execute as they switch back and forth from decentralizing to centralizing measures. For if the 1965 "reform" can be viewed as a partial concession to centrifugal forces, policy since then has been marked by re-imposition of central control on the now supposedly "independent" enterprises.

This all came to a head with the 1973 reorganization of industry. This latest measure marks an attempt by the social-imperialists to organizationally deal with the problem. Their solution is to make the "Production Association", an entity fundamentally similar to the traditional capitalist corporation, the basic unit of the economy. This only more openly reveals the true monopoly capitalist nature of the Soviet economy.

The merging of several enterprises into larger conglomerates began tentatively in the Soviet Union in 1961. The first two firms were formed in the shoe and leather industry in Lvov in the western Ukraine on the initiative of the merging enterprises. By 1965 there were 592 such conglomerates throughout the country, and though the movement slowed as enterprises were transferred under the "reform" after 1965, by 1971 approximately 650 associations were in operation merging 2,700 enterprises, or 5.5% of all industrial enterprises.⁹⁴

Experience gained in such firms quickly revealed to the Soviet leadership that such combined corporate units were far more manageable under the new conditions. When small and middle size firms were eliminated through merger, it was found that a tighter rein could be kept on things while still operating on a profit-oriented basis. For example, Fedorenko argued as early as 1967 that

*"Big amalgamations are in a better position than small enterprises to keep track of public demand; concentrate funds for the establishment of new shops, enterprises, and industries; redistribute expenditures connected with the production of new types of output; summarize advanced know-how; technology, and the introduction of new techniques within the framework of this combine; maneuver reserves; set internal (transfer) prices; centralize part of the supply and sales operations."*⁹⁵

This was really quite logical and reflects the fact that the competitive capitalist "individual enterprise as the basis" notion was only a veneer and was out of line with and impossible under the actual conditions, and level of development of the Soviet economy. As the British economist, Alec Nove, pointed out:

"It would be absurd to expect the necessary decisions to be made at the level of an enterprise,

which corresponds to a Western plant. What decisions are made by the manager of a plant which is part of Dupont, U.S. Steel or General Electric? These giants are bigger than many a Soviet ministry and perhaps no less centralized."⁹⁶

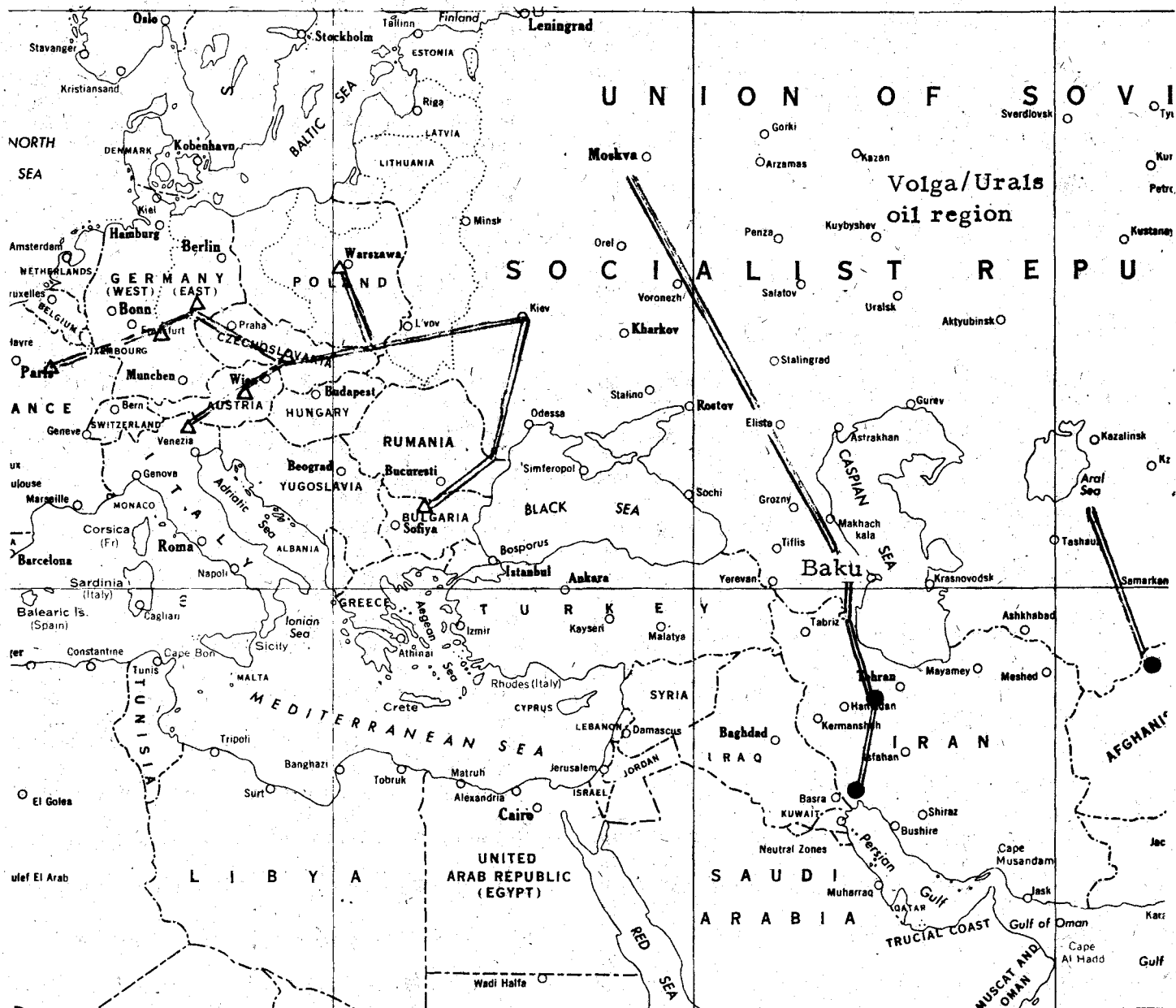
Once they recognized the situation, the social-imperialists were quick to pick up on this crucial point. On April 2, 1973 they announced that all industrial enterprises would be combined into associations. The powers given to the enterprises by the 1965 "reform" were now handed over to the associations. Amalgamations are to be formed on nation-wide, regional and local bases depending upon conditions. According to the announcement the new scheme is to be operative by the end of 1975.

It remains to be seen how this maneuver will affect the workings of the Soviet economy. It in-

dicates clearly, however, that the social-imperialists have not solved the contradictions they face. This, of course, they can never do. As the Chinese stress, "The economic base of social-imperialism is monopoly capitalism", which is "subject to the same objective laws of imperialism."

Map Symbols indicating foreign gas fields supplying the Soviet Union (⊗), pipeline routes (—), and countries receiving or destined to receive Soviet natural gas exports (⊙) represent general rather than exact locations. The actual route of the pipeline into France has not yet been announced. (France was originally insisting that the line bypass West Germany.) Most of the extensive natural gas pipeline network inside the Soviet Union is not indicated.

SOVIET FOREIGN TRADE IN NATURAL GAS



9) Summary: The Soviet Economy as a State-Capitalist Economy

In the preceding sections we have gone to considerable detail in explaining how the social-imperialists sections we have gone to considerable detail in explaining how the social-imperialists have restored capitalism in the Soviet Union. At times this account has been necessarily quite complicated, reflecting the complex process of class struggle and capitalist restoration, and some readers may have found parts a bit confusing. In the course of examining all this, it is easy to lose sight of the forest for the trees.

To summarize briefly what we have described up to this point: The restoration of capitalism in the Soviet Union had its roots in the class struggle waged between the proletariat and the bourgeoisie under socialism. With the rise to power of Khrushchev, the bourgeoisie managed to seize control of the Communist Party, the political vanguard of the working class, and from this position turn the state into an instrument of bourgeois dictatorship and begin the restoration of capitalism. *This was the crucial turning point in the restoration process.*

Under Khrushchev's leadership, the Soviet bourgeoisie proceeded first to negate the achievements of socialism by breaking up the centralized rule of the working class and dismantling socialist institutions. Centralized direction of collective agriculture was sabotaged when Khrushchev sold the Machine Tractor Stations to the collective farms. In the industrial sector the planning administration was broken up into a series of regional economic Councils. Discussion centering around reintroduction of the profit motive and reorganization of the economy according to the fundamental law of commodity production, the law of value, was begun with open encouragement by the Communist Party leadership. Experiments in this direction were also initiated.

Politically, too, Khrushchev worked to destroy the centralized power of the proletarian state. He launched a systematic attack on the most fundamental principles of Marxism-Leninism and his diatribes against Stalin served only as a smokescreen for attacks on the dictatorship of the proletariat. Under his leadership bourgeois liberal forces emerged in all areas of social life.

By expelling large numbers of tested proletarian fighters from the Communist Party, Khrushchev further weakened the working class. These fighters were then replaced by bourgeois and petty bourgeois elements at all levels. Khrushchev finally went so far as to divide the Party into "industrial" and "agricultural" sections which immobilized and demoralized honest Party cadres, effectively limiting their political role by saddling them with administrative chores.

Khrushchev's role was to launch the attack on the proletariat, carry out the wrecking of socialism, and thereby unleash the spontaneous

forces of capitalism.

But Khrushchev's negation of socialism in turn called forth its dialectical opposite—the negation of the negation. This can be seen in the thoroughgoing reordering of the economy along state-capitalist lines carried out under the leadership of Brezhnev and Kosygin.

This, too, had its political and economic aspects. In the political sphere Brezhnev and Kosygin moved to reassert centralized state and Party control—but this time on a new basis: on the basis of consolidating the political power of a new state-finance bourgeoisie consisting of high Party and state officials. Here the supposed "return to Leninism" provided a convenient cover. The Party was pieced back together and even strengthened as the organized representative of the new ruling class.

With respect to the economy, decentralization appeared to continue, as the economic "reform" granted wide leeway to individual enterprises. However, the "reform's" real purpose was to systematize control by the state monopoly clique along well-ordered capitalist lines. In practice it only strengthened the hand of the central state capitalists. This can be seen quite clearly from the fact that after remaining essentially stable in numbers during the Khrushchev period, employment in the state administration grew each year during 1964-1970, with a total increase of 516,000, or 38.3%.⁷ Decentralization has since been further strengthened with the introduction of the Production Associations in 1973.

Where Khrushchev's negation of socialism brought only chaos to the economy, Brezhnev and Kosygin's systematic "reform" succeeded—as much as is possible under the capitalist system—in stabilizing and restructuring the economy according to consistent monopoly capitalist principles.

This negation of the negation must be firmly grasped. There is the first negation: Under Khrushchev's leadership the bourgeoisie attacks Marxism-Leninism, begins the wrecking of socialism. Chaos reigns in the economy and liberalism is dominant in politics. But then there is a second negation, in a sense symbolized by the coming to power of Brezhnev and Kosygin (though there is no brick wall politically dividing their reign from that of Khrushchev). Khrushchev and Khrushchevism come under attack. "Discipline" and "control" re-emerge as watchwords of the day. The economy is systematically restored to working capitalist order.

But all this takes place on an entirely new basis, under completely transformed conditions. Negating the negation of socialism does not return us to socialism once more but marks instead the systematic restructuring of a functioning capitalist society, a capitalist society based on an historical foundation heretofore completely unprecedented.

Combining "two into one" and failing to recognize the two stages in the restoration pro-

cess, failing to see this dialectical process as not just the negation of socialism but as the negation of the negation, can lead to at least two serious errors. One would be the error of mistaking Brezhnev and Kosygin's show of centralism for a return to socialist principles. This line is put out by those bourgeois and petty bourgeois commentators who label the present Soviet rulers "Stalinists."

A second error is to see Khrushchevism as *all* there is to the process of capitalist restoration. From this point of view, capitalist restoration becomes only the *breaking apart* of socialist society and not also the *reconstruction* of capitalism. Such an analysis views the market as the key factor in capitalist restoration and fails to recognize that capitalism can also exist in conjunction with centralism (as shown in the past by the example of Nazi Germany).

This view implies that a country like Yugoslavia is more capitalist than the Soviet Union. It implies also that under Dubcek's "Market Socialism", Czechoslovakia was attempting to break loose of Soviet domination in order to move more rapidly down the capitalist road. Taken to its logical conclusion, such a view sees the rise of capitalism in the Soviet Union as a simple reversal of historical motion. One might as well argue that the Soviet Union has simply turned around in history and is now heading from socialism through monopoly capitalism back to competitive capitalism and thence, perhaps, to feudalism. While this may be what is desired by some idealistic, "dissident" Soviet intellectuals, the absurdity of such reasoning is certainly obvious.

How are we to explain the restoration of capitalism in the Soviet Union?

Any society is basically an organized way that its members produce and distribute the material requirements of life. At every level of social development, people enter into definite relations with each other and with the productive forces to carry out this task.

In all societies a surplus, above and beyond what people need to live and reproduce, must be and is produced, accumulated and utilized to expand future production as well as provide for the educational, cultural and other social requirements of life. For this to happen some "lever" must operate in society, some force or law must regulate the process whereby this surplus is appropriated, distributed and re-invested in society.

Under slavery this "lever" was the whip which forced the slave to produce a surplus which was then appropriated by the slave-owner. Under feudalism the landlord's control of the land enabled him to extract a surplus, generally in the form of a share of the crop, from the peasant. In both these societies the actual producers—the slaves and the peasants—did not themselves participate in the commodity (exchange) economy to any great degree. Their minimum needs were provided mainly through natural production.

However, under capitalism the "lever" which regulates the appropriation and distribution of the surplus is the system of commodity production and circulation, regulated by the law of value. In this system workers must *alienate* their labor power—give it over to another, a capitalist, in exchange for another commodity, money—wages—because, under capitalism, labor power is itself a commodity and the means of production are monopolized by the capitalist class. Only by selling their labor power can the workers gain even the barest means of subsistence. In short, the way people are mobilized to produce plus under capitalism is expressed succinctly by the slogan "work for me or starve", which might well be the motto of the bourgeoisie.

Under capitalism the distribution of goods and services, too, can only take place with the "lever" of commodity exchange and the law of value. The capitalists, who appropriate to themselves the products of production, will only alienate these products on the basis of receiving something of equal value in return. The surplus (in the form of *surplus value*—value extracted from the unpaid labor of others) that is *created* in the process of production, is *realized* by the capitalist in the sale of commodities. By selling commodities produced by the workers, the capitalist ends up with more money than he spent in his original investment, reflecting his control of the surplus created by the workers and appropriated by him in the process of commodity production. In this way each capitalist accumulates the surplus and decides, on the basis of how to repeat the process on an extended scale, how to invest this new sum of money once again to end up with still more—how and where the surplus will be distributed and utilized.

Thus, under capitalism, the sum total of society's surplus is accumulated "in pieces" by various capitalists, who not only stand above the working class, but are isolated from and in competition with each other. As a result, it is impossible for capitalist society as a whole to collectively appropriate and utilize the surplus, and it is impossible for society to *consciously* undertake the struggle to produce and distribute the material requirements of life. As Marx put it, under capitalism the relations between man and man, and between man and nature, are disguised as the relations between things, between the various commodities that different individuals and groups in society own.

What is more, there is no way under capitalism for the capitalists to get together, sit down and rationally and peacefully divide up the take. The internal logic of the capitalist system forces each capitalist to re-invest his own share of the surplus in order that this share will increase in size relative to the shares of all the other capitalists. If the capitalist does not do this he will perish as a capitalist.

The entire development of commodity production takes place spontaneously, independent of the

consciousness and will of man. But as the commodity system develops its laws are also revealed. In the highest stage of commodity production—under capitalism—the laws governing the system can be fully comprehended. With this knowledge the proletariat can set out—for the first time in the history of class society—to consciously reshape and remold the world. This is precisely what Marx meant in his famous thesis: “The philosophers have only interpreted the world differently, the point, however, is to change it.”⁹⁸

The struggle for socialism must be and is a struggle for the conscious control of society by the working class. This is why socialism can never grow up spontaneously within capitalism as did capitalism within the bowels of feudal society. This is why socialism is a radically different form of revolution from all previous upheavals in society which simply brought forward a new system of exploitation.

To build socialism and advance to communism, the “lever” that makes possible the production, accumulation and utilization of the surplus cannot be commodity production and the law of value, but can only be *ideological and political line*. That is, socialism, and even more fully communism, can only be built by the workers in society (under socialism the working class through its state power and under communism the whole population, no longer divided into classes, and all acting as both workers and administrators) *consciously and collectively determining a plan* for producing and distributing the material requirements of life.

This in turn can only be accomplished by first drawing on the experience and collective wisdom of the masses of people, and applying the scientific principles of Marxism-Leninism to summing these up. Under socialism this is accomplished by the Party, through the application of the mass line. Under communism it is done by the whole of society, since by then *everyone* will have reached the stage of consciously striving to apply communist principles to all phases of life.

Even under socialism, the dictatorship of the proletariat, commodity production continues and there is some scope for the law of value. As Lenin pointed out, this provides the material basis for capitalist relations, even in socialism, and provides the material basis for capitalist restoration. Class struggle in socialism continues between those who want the law of value and blind market forces to regulate production, and those who want to subject production to class conscious control of the proletariat. Increasing the power of subjective class conscious forces over production, narrowing and finally eliminating the law of value, is the task of socialism as the transition from capitalism to communism. This is why it is not idealist to stress the importance of proletarian ideology as the leading blow against capitalism, and why it was essential that Stalin's and Lenin's proletarian line be smashed *first*, to disarm the working class and make possible the extension of the law of value instead of its constriction.

This is why we emphasize that the struggle of the working class must be based upon mass mobilization and education of the workers. To wrest control of society from the spontaneous forces of commodity production, the collective efforts of the *whole class* are necessary. As Marx said “the liberation of the working class must be the work of the working class itself.”⁹⁹ This is not merely a moral stricture, but a fundamental law of socialism. Without the growing participation and mobilization of the masses of workers there can be no socialism.

“Once the leadership of the working class struggle abandons the mass line and fails to mobilize and rely on the masses in the conscious struggle to strengthen the dictatorship of the proletariat and build socialism; in other words, once the leadership of the Communist Party abandons Marxism-Leninism and consolidates revisionism, no matter what their subjective intentions or desires may be, capitalist restoration is then inevitable. As the Chinese comrades state: ‘The rise to power of revisionism means the rise to power of the bourgeoisie.’”¹⁰⁰

If under socialism the production plan is not based on the experience and felt needs of the masses—on what they collectively and ever-more consciously see as necessary and possible to produce, not in their individual interests but in the interests of society as a whole (and ultimately the world struggle for communism)—and if, in turn, this plan is not taken back to the masses, as a concentrated expression of their collective wisdom (through the application of Marxism-Leninism); and if they are not, on this basis, mobilized to carry out this plan, taking the initiative into their own hands, to fulfill and even overfulfill this plan; *then some other way must be found* to induce, and ultimately to force, the masses into production of a surplus.

It is impossible for some classless group of “bureaucrats” to rule society in the name of the proletariat, because in order to maintain such rule these “bureaucrats” must organize the production and distribution of goods and services. If bureaucratic methods of doing this prevail and come to *politically characterize* the planning process under socialism; and if a group of bureaucrats, divorced from and not relying upon the masses, makes the decisions on how to carry out this process; then inevitably this will be done along capitalist lines.

In the final analysis, the revisionists can only fall back on the law of value as the “lever” which organizes production. They must reduce the workers to propertyless proletarians, competing in the sale of their single commodity—their labor power—to live. They must appeal to the narrow self-interest of the worker in this competition, backing this up with the power of the state, as a force standing above and oppressing the workers, a weapon in the hands of the owners of the means of production. They must do this because they must find some way to organize production which

they cannot do consciously in a planned way by themselves. *They have no choice but to become a new bourgeoisie.* (The law of value is modified by monopoly in the sense that monopolies can raise the prices of their commodities above their actual value. But this does not eliminate the regulating rule of the law of value; in fact it intensifies the contradictions of capitalism.)

Once this road is taken, the planned relationship between various sectors of the economy, according to the socialist principle of subordinating profitability—at the enterprise level, and in society generally—to the objective of all-round and constantly rising development must also come under the regulation of the law of value. And this means that profit must be put in command. Profit must act as the regulator of relationships between different enterprises and spheres of the economy and determine the basis on which they exchange their products, as commodities, with each other. Moreover, profit, for different individual capitalists, or groups of capitalists, must act as the regulator of how the surplus of society is appropriated and utilized (re-invested).

Once production is no longer regulated by a true socialist plan based upon the summation of the needs and desires of the masses of working people determined by a revolutionary Marxist-Leninist party with close ties to the masses, then it can only be regulated by a capitalist market—by what will bring the most profit. Even where a capitalist “plan” for development exists, including a state “plan” designed to ensure the profitability of key monopolized industries, the laws of commodity production/exchange, including especially the law of value—the blind force of the market—will still remain dominant. This means that competition between various capitalists, controlling different sectors of the economy and different “pieces” of the surplus will inevitably develop, too.

This is what is happening in the Soviet Union today. Competition takes place not primarily between the industrial capitalists—enterprise and farm directors and managers, etc. (although it certainly does take place on this level also)—but principally between different high Party and state officials who control different ministries, regions, industries, etc.

As we have noted, the Soviet economy can be compared in many ways with that of Nazi Germany, and under the Nazis different sectors of the economy—steel, coal, etc.—were organized into trusts or syndicates under the control of the state which used credit as a key regulator. But there was also very fierce competition between conflicting capitalists *within* these various trusts and syndicates, and between capitalists whose wealth and power was concentrated in one or several *different* trusts and syndicates. And there was fierce competition within the ministries controlling credit between capitalists more closely involved in or aligned with these various different trusts, syndicates, etc.

Basically similar things are going on within the Soviet Union, although the particular forms this is taking, and the specific individuals and firms involved, have not as yet been clearly exposed. But once profit comes to regulate the relationship between different areas of the economy, and between them and the state credit institutions, it is inevitable that, for example, those whose profit comes from steel production primarily will battle it out with those who supply means of production—coal, oil, iron ore—for the production of steel; as well as with those who purchase steel products.

The creation of the large-scale Production Associations reveals that this is developing rapidly in the Soviet Union. These Production Associations will inevitably compete with each other in pursuit of profit. An association centered around the production of steel, for example, will attempt to branch into coal mining. Soon the Production Associations will not only be set up according to industry but will—and to some degree, no doubt, they already do—come to represent competing groups of capitalists whose interests are quite varied; equivalent, say, to the Morgan or Rockefeller groups in the U.S. These competing groups will in turn fight it out for political influence and control in the Communist Party.

It will be impossible for these competing capitalists to peacefully divide the wealth. They will try, but their eternal quest for ever-greater profit will always create new contradictions for them. It will always smash to smithereens whatever agreements they succeed in reaching among themselves. This is directly due to the fundamental contradiction of capitalism and imperialism everywhere—the contradiction between private appropriation and social production of wealth.

It is this contradiction which is already wreaking havoc in the Soviet economy. With profit in command, the Soviet bourgeoisie, like the bourgeoisie everywhere, cannot possibly develop the Soviet economy efficiently, rapidly and in a balanced, all-round way. One example of this is revealing: In 1972, when poor planning and bad weather combined to create one of the worst agricultural disasters in Soviet history, the Soviet Union urgently needed large numbers of harvesters, trucks and driers for an emergency harvest. However, many were out of use due to a shortage of spare parts. This was because the production of spare parts is not as profitable as the production of machines.

The same problem reappeared in 1973 when the Soviet authorities bragged of an “unprecedented bumper harvest” amounting to 222.5 million tons of grain. At the December 1973 plenum of the Central Committee, Brezhnev admitted that the shortage of farm equipment caused large quantities of this “bumper crop” to rot in the fields. Some Western observers estimate that the usable crop amounted to only about 165 million tons.¹⁰¹

Because under capitalism there is no way for the overall needs of the economy to be fully taken into account, such anarchy is inevitable. Moreover, capitalism cannot succeed—

particularly as it develops into the stage of imperialism—in developing the productive forces to their maximum. The anarchic, disorganized competitive appropriation of the surplus, and its reinvestment according to the profit motive, not only distorts what is produced but affects also how much is produced. This is what Marxists mean when we say that capital becomes a *fetter* on the development of production.

Since 1928, the Soviet Union has carried out nine Five Year Plans for economic development, including the current 1971-75 Plan. Up to the 5th Five Year Plan (1951-55), the gross value of industrial output grew at an average annual rate of more than 13%, the highest growth rate in the world.¹⁰² However, in the period 1966-70, output grew by only 8.4% a slight decline from the 8.6% growth rate of 1961-65.¹⁰³ Moreover, according to U.S. government estimates, there has been a somewhat steeper decline in non-military production growth—during 1966-69 this grew at an estimated rate of 6.2% compared with 6.8% in 1961-65 and nearly 10% in the 1950's.¹⁰⁴ According to statistics released by the Soviet Central Statistical Board, growth of total industrial production in the first three years of the 9th Five Year Plan slid further to only 7.8% in 1971, 6.5% in 1972 and 7.4% in 1973.¹⁰⁵

Because the Soviet Union is a state-capitalist society, the effects of capitalist anarchy can be ameliorated to some degree through the working out of the central state plan. This plan is designed to balance out the needs of different industries, guaranteeing a "fair" profit to each. But the plan cannot resolve the contradictions of the system, and in fact these contradictions are no doubt expressed in vicious in-fighting when the plan is drawn up. As a result, the plan itself has become increasingly divorced from the realities of

economic life.

Whereas under socialism, Soviet plan quotas were nearly always fulfilled and even overfulfilled, today these are more often revised and marked down in mid-plan. Even so, many important economic departments do not even meet the revised quotas. The sorry, crisis-ridden state of the Soviet economy today is illustrated most clearly in the following statistics which describe the results of the 8th Five Year Plan which was concluded in 1970. (See Table Below.)

This stagnant economy reflects the moribund, dying nature of Soviet social-imperialism and all imperialism. Imperialism cannot fully develop the productive forces because as more and more surplus value is ripped off from the working class and is transformed into capital, subjugating and oppressing the workers, it becomes increasingly difficult for the imperialists to gain maximum profit in their own market. Profit must be realized in the sale of commodities produced, and the principal market for all commodities is the working class, which makes up the majority of the population. Moreover, the anarchic development of production under capitalism means that some products are always, in effect, overproduced while others are shortchanged. Not only do these factors produce the periodic crises of capitalism, they also tend to permanently depress the rate of profit, stagnating economic development. Thus, all imperialists are driven by the internal logic—the fundamental laws of their system—to seek new markets for their commodities, but, more important, for the investment of their capital.

The drive for the highest profit forces the competing Soviet capitalists to invest increasing amounts of the surplus wherever it will bring the highest return (rate of profit). In other words, the social-imperialists, like imperialists everywhere,

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RESULTS OF THE 8TH FIVE YEAR PLAN (1966-1970)

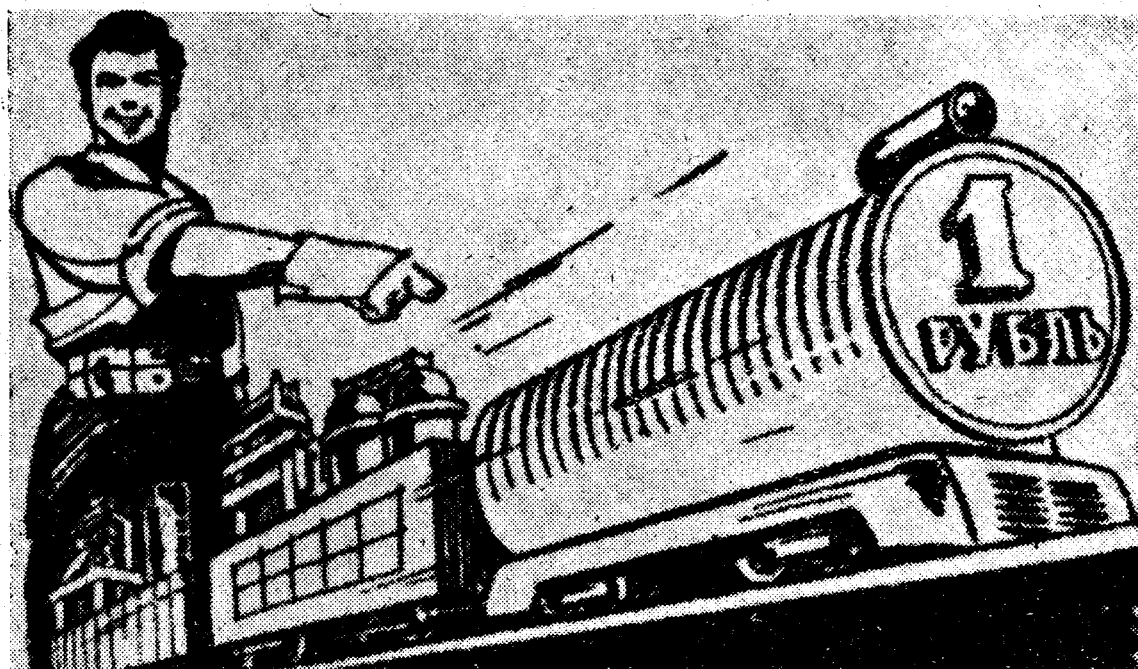
	Original Target	Revised Target	Actual Output
Electricity (thousand million KWH)	830-850	807	740
Natural Gas (thousand million cubic meters)	225-240	215	200
Coal (million tons)	665-675	—	624
Steel (million tons)	124-129	124	116
Rolled Steel (million tons)	95-99	96	92
Chemical Fertilizer (million tons)	62 - 65	62	55.4
Synthetic Fibre (thousand tons)	780-830	707	623
Automobile (thousands)	1360-1510	1360	916
Agricultural Machinery (thousand million rubles)	2.5	—	2.1
Cement (million tons)	100-105	—	95.2
Paper (million tons)	5.0-5.3	5.0	4.2
Textile (thousand mil. sq. meters)	9.5-9.8	—	8.6
Synthetic Resin and Plastic (million tons)	2.1-2.3	1.8	1.7

must export capital to other countries—and along with this they must station armies abroad and do other things to “guarantee” a profitable return on these investments. They are forced to enter into competition with rival imperialists, to fight for a re-division of the world and of the markets for capital.

In this way, the contradictions of imperialism “spill over” and become world contradictions in a very real and profound sense. All this is why the Soviet Union is indeed an imperialist country, operating under the cover of socialism, but governed by the same objective laws as all other imperialist countries.

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Example of how Soviet revisionists try to put across capitalist idea that money, rather than the working masses, is what makes things go. Illustration is from Soviet journal, entitled "The Powerful Locomotive" with the front of the engine reading "One Ruble."

IV. SOVIET SOCIAL-IMPERIALISM AROUND THE WORLD

1) Soviet Social-Imperialism and the Third World

Even the most superficial look makes it painfully obvious that something other than proletarian internationalism is the driving force behind the Soviet Union's relationship with the developing countries of Asia, Africa and Latin America. In India, the USSR's main Asian ally and recipient of billions in Soviet "aid", the carts still go through the streets of Calcutta each morning to pick up the bodies of those who died of starvation and exposure the night before. In recent meetings of the UN, the Soviet Union has isolated itself from the vast majority of the world's countries when it has united with U.S. imperialism and a handful of other imperialist states to oppose the right of Third World countries to control their own natural resources.

All over the world the Soviet Union is interfering in the affairs of other nations: sometimes through clandestine activities aimed at bringing pro-Soviet cliques to power, other times through economic blackmail. Soviet troops still stationed in Czechoslovakia serve as a constant reminder of the willingness of the USSR to resort to naked aggression. In every sphere the Soviet Union reveals itself as a superpower willing to trample the interests of the peoples of the Third World into the dirt.

In this chapter, and based on what we have established in Chapter III, we will show that the USSR is governed not by any desire to see the Third World countries embark on the so-called "non-capitalist road of development," but is in fact driven by its imperialist nature to rob and plunder every corner of the globe where it can stretch its tentacles.

In Chapter III we have seen how the Soviet economy is developing according to regulation by the blind law of value. We have seen that the Soviet ruling class will invest only in those industries which yield the most profit. And, as we have also seen, such maximum profit can only arise on the basis of exploitation and thus the Soviet social-imperialists are forced to increasingly intensify the exploitation of the Soviet working class.

But as the social-imperialists search frantically for the most profitable investments, like all imperialists they eventually run into a brick wall. In Lenin's words, "The necessity for exporting capital arises from the fact that in a few countries

capitalism has become 'overripe' and (owing to the backward state of agriculture and the impoverished state of the masses) capital cannot find a field for 'profitable' investment."¹

Under socialism the Soviet Union could productively employ its entire surplus domestically, though in the spirit of proletarian internationalism it often did employ some of this surplus in *real* foreign aid to developing nations. But today the goal of production is not the improvement of life for the Soviet masses through all-round economic development, but the blind increase of accumulated capital. And like other imperialist powers before them, the Soviets in pursuing more capital, export their capital and invest it abroad where the rate of profit is much higher.

Lenin summed this up as follows:

*"As long as capitalism remains what it is, surplus capital will be utilized not for the purpose of raising the standard of living of the masses in a given country, for this would mean a decline in profits for the capitalists, but for the purpose of increasing profits by exporting capital abroad to the backward countries. In these backward countries profits are usually high, for capital is scarce, the price of land is relatively low, wages are low, raw materials are cheap."*²

Along with the need to export capital throughout the world, the Soviet Union must try to monopolize sources of raw materials wherever they can be found, and is forced into competition with other imperialist powers for "spheres of influence." As the "new" and rising imperialist power, the Soviet Union is today forced to push for a new and more favorable division of the world.

In pushing for this, the Soviet Union has run head-on into the established power of the U.S. imperialists. While the whole capitalist world is increasingly in severe crisis—affecting the Soviet Union as well as the U.S.—the Soviet Union is generally on the ascendancy relative to declining U.S. strength. Thus, everywhere, in the developing countries of Asia, Africa and Latin America and also in Europe, which is the main area of contention between the two superpowers, U.S. imperialism finds itself in the position of attempting to hold on to its empire while the Soviet Union

seeks to challenge U.S. imperialism's control.

This rivalry between the two superpowers is largely responsible for the turmoil existing in the world today. While this turmoil creates extremely favorable conditions for the struggle of the peoples of the world for national liberation and socialism, the rivalry between the USSR and the U.S. is also fraught with danger. For it is precisely inter-imperialist rivalry which led to both world wars, and which threatens the world's people with the possibility of a third world war. We will have more to say on this subject in a later chapter.

Soviet social-imperialism is a new and rising imperialist force in the world, trying to take the place of the United States in dominating other countries. Just as Britain shoved out the Dutch or Portuguese, and just as the U.S. shoved out Britain and France, now the Soviet Union is doing some shoving of its own. And just as the British sometimes appeared "anti-imperialist" by siding with some "natives" against the Portuguese and Spanish in the West Indies, just as the U.S. tried to appear "progressive" in pushing Britain out of India, so the USSR tries to look "progressive" and "anti-imperialist" in contesting U.S. imperialism in India, Latin America, the Middle East, etc. But the appearance of anti-imperialism, covered by talk of democracy, independence, development, or even socialism, must not be allowed to hide the reality of inter-imperialist rivalries and a continuing redivision of the world as Lenin described almost 60 years ago.

No imperialist power likes to come out and admit what its true nature is. Even U.S. imperialism, which has long ago been exposed throughout the world, continues to try to mask itself as a "democracy." The Soviet Union also has a mask it tries to hide behind. The social-imperialists have hired scores of "theoreticians", well versed in distorting the writings of Marx and Lenin, to try to portray Soviet imperialism as "socialism" and Soviet foreign policy as "proletarian internationalism."

As the home of the October Revolution and the first workers' state, which under Lenin and Stalin consistently supported the struggles of the peoples of the colonial and semi-colonial world for national liberation, the Soviet Union enjoyed immense prestige. The present day rulers of the USSR have tried to capitalize on the internationalist stand of the Soviet Union before Khrushchev's coup, masking their policies of aggression and plunder. For this reason also, it is important to rip the facade of socialism off the hideous features of Soviet social-imperialism.

The transformation of the Soviet Union into an imperialist power has taken place during a period of tremendous growth of national liberation struggles in the Third World and during a period of deterioration of the U.S. as the unchallenged superpower. These two conditions have determined the form and method used by the social-imperialists to seek control of Third World countries. Hence, a look at how the U.S. imperialists

rose "to the top" can throw some light on what the USSR has been doing in recent years.

The U.S. has been an imperialist power since the turn of the century, but it has only been since World War II that it was temporarily able to dominate virtually the entire capitalist world. As far as the imperialist powers were concerned, WWII was essentially a fight to determine which imperialist powers would control the lion's share of the world's resources—raw materials, sources of cheap labor, markets for the export of capital, etc. The war developed principally from the rivalry between British, French and U.S. imperialism on the one hand, and German, Italian and Japanese imperialism on the other. Throughout the 19th century, Britain had been the kingpin imperialist power. But imperialism develops unevenly, with some imperialist nations growing stronger and others growing weaker through inter-imperialist competition, and soon Germany was in a position to challenge this supremacy. This challenge was defeated in WW I, which shackled German imperialism with chains of debt and war reparations.

Attempting to keep the Germans in this weak position, the British and French imperialists, along with their rapidly developing U.S. allies, set the stage for a second conflict. Allied with the rising but also dissatisfied power of Japanese imperialism in the East, the German imperialists under Nazi leadership aggressively challenged all attempts of their rivals to maintain the old division of the world. The result of World War II is, of course, well known. The fascist powers were completely defeated and Britain and France emerged from the war considerably weakened—certainly in no position to maintain their vast colonial holdings. Among the imperialist powers only the U.S. emerged with its productive forces intact, ready to step into the vacuum created by the demise of its rivals.

World War II also gave rise to a tremendous upsurge in the struggle of the world's people for socialism and national liberation, especially in the colonial and semi-colonial world. No force on earth, including U.S. imperialism, could save the colonial system in its old, open form. Shortly after the war, the Chinese people succeeded in winning their liberation, a tremendous blow to the whole imperialist system. Within a relatively short period of time, most former colonies achieved at least formal political independence. But we know that political independence by itself does not mean an end to imperialist plunder. In *Imperialism, the Highest Stage of Capitalism*, Lenin writes:

*"Finance capital is such a great, it may be said, decisive force in all economic and in all international relations, that it is capable of subjecting, and actually does subject to itself even those states enjoying the fullest political independence . . . of course finance capital finds most 'convenient', and is able to extract the greatest profit from such a subjugation as involves the loss of political independence of the subjugated countries and peoples."*³

U.S. imperialism was not strong enough to establish colonies in the traditional sense and fly the stars and stripes over the parliaments of the newly independent African and Asian nations. Instead, U.S. imperialism had to *adapt* itself to political realities and seek *forms* of exploitation based on the changing world situation. In fact, in some cases the U.S. supported the independence of the former colonial countries since it didn't want the special privileges of the former colonial powers to restrict the flow of U.S. finance capital into those countries. (This was *not* the case, however, in those colonies like Vietnam where movements for independence were led by Communists who were determined to go beyond simple political independence and drive all imperialism out of the nation.)

U.S. imperialism banked its strategy on indirect rule through puppets representing the reactionary classes in the Third World countries who would keep the workers and peasants suppressed while allowing an open door to U.S. penetration. This penetration took many forms—direct loans to reactionary governments, arms sales, and most importantly, direct investments by the U.S. monopolies. Thus, the *form* of U.S. domination over many Third World countries differed considerably from the previous outright colonialism of Britain and France, yet the *content*—export of capital, seizure of raw materials, etc.—remained the same. This distinction between form and content is especially crucial in examining how the Soviet Union has adapted its imperialist plunder to the political reality of the 60s and 70s.

The outright plunder of Third World countries by the U.S. monopolies, and the maintenance of backward social systems that retarded the productive forces in those countries, kept the masses of people in starvation conditions. There was no way the people of the exploited countries would tolerate such a situation for long. In the decades since WW II, the struggles of the peoples in the Third World have grown. Everywhere the cry "Yankee go home!" has been raised and in a number of countries the people have risen in armed revolution against the robbery of their homeland by U.S. imperialism. Not only have the workers and peasants of the oppressed countries resisted U.S. imperialism, but even sections of the exploiting classes in the underdeveloped world are driven to resist imperialism.

That section of the capitalist class in these countries which opposes imperialism because it cannot compete with the monopolies, and because imperialist domination maintains feudal and semi-feudal relations in the countryside, thus preventing the development of an adequate national market, is known as the *national bourgeoisie*. This is to distinguish it from that section of the bourgeoisie that is tied in with the old relations of production—that is, with feudalism—therefore an ally and prop of the imperialists—known as the *comprador bourgeoisie*.

Throughout the Third World the national

bourgeoisie is stunted and dwarfed by imperialism. The history of the struggle for national liberation has shown that the national bourgeoisie is incapable of leading the masses of people in completely freeing Third World countries from foreign domination. This is due to the incomplete development and economic flabbiness of the national bourgeoisie and also because, while it opposes imperialism, the national bourgeoisie also fears the workers and peasants, whose interests lie in eliminating all forms of exploitation.

The usual method of struggle of the national bourgeoisie is military coups and similar forms that do not rely on and arouse the strength of the workers and peasants. Once in power, the national bourgeoisie is in quite a bind. On the one hand, it faces sabotage and economic blackmail from imperialism which seeks a return to the old ways. It lacks sufficient capital to adequately develop the productive forces in a capitalist way. And because of its nature as an exploiting class, the national bourgeoisie cannot mobilize the workers and peasants to fully practice self-reliance and take the destiny of the country into their own hands. This can only be done in a socialist system where the working class rules.

While the national bourgeoisie is a vacillating class caught between imperialism and the masses of the oppressed people, it can still play a progressive, anti-imperialist role. Where the national liberation struggle is led by the proletariat, the national bourgeoisie can be won to participate in an anti-imperialist, new democratic united front. Within such a united front, representatives of the national bourgeoisie can play an important role in making revolution.

Where the national bourgeoisie comes to power on its own, it has often continued to stand up to imperialism—winning concessions which at times are even of benefit to the masses of oppressed people and which strike real blows at imperialist power. When the national bourgeoisie in a given country does stand up to imperialism, it is strengthened by the support and encouragement of socialist countries like China and by the growing unity among the Third World peoples.

However, history has also shown that once in power, the national bourgeoisie may often fall under the sway of one or another imperialist power and sections of it can be transformed into a *comprador bourgeoisie* dependent on imperialism. This can occur even where the national bourgeoisie has played an independent anti-imperialist role for some time. Only a revolution led by the working class and the establishment of a socialist society can finally and fully free Third World countries from the rule of foreign imperialism.

It is important to discuss the role of the national bourgeoisie because this class has played an important part in determining the form of Soviet social-imperialism's strategy in competing with the U.S. for domination of the Third World. Usually the national bourgeoisie in power attempts to limit the control of the country by the foreign

monopolies through attempts to build up the "public sector", that is, the state-owned industries, etc. The strategy of social-imperialism is to encourage such development of the public sector, while at the same time maneuvering the countries of the Third World into dependence on the USSR for loans, military shipments, etc. The Soviets try to justify their imperialist policies by claiming that they are only helping Third World countries embark on the "non-capitalist road of development."

The social-imperialists have written that "(nationalization) in some instances is a vigorous measure for accelerating the transition to the immediate construction of the basis of socialism, because the state sector itself is anti-capitalist and transitional to socialism." The fact of the matter is that the "state sector" is not necessarily "anti-capitalist", as any worker in the post office can readily testify. We saw in examining the Soviet Union itself that state ownership does not have anything to do with socialism, if the bourgeoisie has power.

Examining a few countries in which Soviet social-imperialism has concentrated its efforts should help illustrate the point.

2) Soviet Satellite

With a population of 400 million, India is the second most populous country in the world. Yet for centuries the Indian people have suffered incredibly under the burden of colonialism and imperialism. The subjugation of India by Great Britain arose with the development of capitalism and was crucial in the development of Britain as the world's first major capitalist power. In the era of rising capitalism, India was used by the British capitalists as a source of raw materials and most importantly, as a market for the export of finished goods, principally cloth.

The flooding of India with cheap cloth, produced in the sweat shops of Manchester and spun out of the blood-soaked cotton picked by slaves in the U.S. and by Indian peasants themselves, wreaked havoc in India, undermining the handicraft system and leaving millions of people with no means of support. The drawing of India into the world capitalist system intensified the exploitation of the peasantry by forcing the peasants to pay land rent in cash rather than the old rent-in-kind which had meant turning over a section of the crop to the landlords.

As capitalism developed into its moribund, monopoly stage—imperialism—the exploitation of the Indian people was further intensified. The export of commodities (finished goods) gave way to the export of capital as the principal form of exploitation. The British built railroads, factories and other enterprises. None of this went to "lighten the labor" of the Indian people, but only led to entombment of millions of Indian workers in foreign-owned factories.

But with the development of imperialism and

the export of capital came the significant development of a modern proletariat in India and the rudiments of an Indian bourgeoisie. Coupled with the development of the general crisis of capitalism that began with the outbreak of WW 1, this produced a tremendous movement among the Indian people for national liberation. Strikes developed; and in places armed struggle broke out. A Communist Party was formed, but the communists never developed the correct line for revolution in the colonial and semi-colonial world. They did not lead the Indian people in waging people's war (surrounding the cities from the countryside, relying on the peasants as the main force and the workers as the vanguard, etc.).

It was the Indian bourgeoisie that was able to gain control of the people's struggle against British imperialism. In particular, it was Mahatma Gandhi and Jawaharlal Nehru who, through the Congress Party, were to assure that "independence" would not mean liberation and that India would remain a victim of imperialist plunder. Congress Party members were drawn from diverse sections of the Indian people, but the party's leadership always represented the bourgeoisie, both those sections who were directly tied to British imperialism, the compradors, and those capitalists that sought an independent India in which they might reap profit off the Indian masses. The Congress Party always sought to shackle the people's struggle and never seriously challenged imperialism or the semi-feudal system in the countryside. Gandhi's philosophy of "non-violence" was a philosophy of subservience to imperialism and opposition to revolution.

Following WW II, Britain was unable to maintain its colonial rule in India. India became "independent" and divided into two states—present day India and Pakistan—and political power in India passed to the hands of the Congress Party where it has remained ever since. U.S. imperialism began to edge out British interests in India through large scale investment by U.S. monopolies and private, and U.S. government loans to the Indian government. U.S. imperialism, then in its heyday, became the principal overlord of India.

The Congress Party did nothing to try to wrest India from imperialist domination. In fact, the following quote from B. K. Nehru, former Indian ambassador to Washington, demonstrates quite clearly where they were coming from: "India is unwilling to generate all the necessary capital to reach the take off point by the most obvious means: viz. by changing the institutional framework of Indian society through restrictions of individual liberties and democratic freedoms (sic) ... the alternative is to receive, temporarily, greater assistance from other nations."⁵ In other words, the Indian capitalists and landlords were "unwilling" to take any steps that might lessen their "democratic" right to exploit the Indian people.

Nehru and the other government leaders always masked their subservience to imperialism with vague talk of "socialism." In international affairs they tried to present themselves as champions of peace, neutrality and independence from imperialism—and from the actual socialist countries as well.

From the time of independence to the middle 50s, India's trade and financial dealings were almost entirely with the West. U.S. imperialism dominated the world money market at that time, partly through control of the World Bank. These imperialists extorted a whopping 6.5% interest rate on all loans to Third World countries.

When the Khrushchev clique seized power in the Soviet Union, they began looking for ways to challenge U.S. imperialism's control of India. They initiated trade that actually gave India favorable terms for a few years.

In 1959 and 1960, events took place that provided the Soviets an opportunity for further penetration into India, and at the same time helped expose the face of the Soviet revisionists to the world's people. In 1959, India began to provoke border incidents with the People's Republic of China. The Khrushchev clique rushed to the "defense" of India and tried to pressure China into giving up huge sections of territory to India. This was the beginning of the Soviet-Indian alliance against China.

India also became involved in a war with neighboring Pakistan over India's ripoff of Kashmir, a Moslem area which, as part of the partition of British India, was supposed to be able to choose which state it wished to affiliate with. The Indian reactionaries consistently fought against self-determination for the people of Kashmir. The Soviet Union backed India in this war of aggression also, and began sending weapons to India.

As the revisionists who seized power in the Soviet Union began to transform that country into a full-blown imperialist nation, Soviet penetration of India grew rapidly. In particular, the Soviet Union began making long-term loans to the Indian government to build up the "public sector" of the Indian economy. Previously, U.S. imperialism had refused to loan money to India for the development of state-owned enterprises. The Clay Commission, which was set up under President Kennedy, recommended that the U.S. attempt to blackmail India into abandoning plans to establish and strengthen the public sector. The excuse given for this was that loans to state-owned enterprises would be tantamount to aiding socialism.

Of course, the U.S. imperialists were not so naive as to believe this. Had some sections of the U.S. bourgeoisie that didn't already have a strong foothold in India been more influential in the U.S. government at the time, things could have been very different. But as it was, it seems that the most powerful and politically influential sections of the U.S. ruling class were those already en-

trenched in the Indian private sector, which they apparently believed to be the most profitable method of exploitation in that country.

It would appear that these forces were afraid that development of the Indian public sector could create openings for rival corporations to move in. The social-imperialists were more than glad to step in where the U.S. would not. And on the surface, Soviet loans seemed quite different from the terms offered by Western imperialists. Soviet loans had the relatively low interest rate of 2.5% and could be repayed over a 12-year period. Furthermore, the Soviets agreed to accept payment in rupees, India's currency, instead of insisting on payment in dollars or a similar "hard" currency. And, of course, Soviet aid could be used to develop state-owned enterprises.

However, it soon became clear that there was more to Soviet "aid" than met the eye. First of all, Soviet aid, unlike loans from the West, came "tied." That is, India was required to spend all the money it received from the Soviets on goods from the Soviet Union. And prices of the imported goods were determined by trade agreements and not according to the free market price for such goods. So the Soviets were able to charge exorbitant prices for outmoded machinery, thus disguising the real rate of interest on the loans. As Soviet domination of the Indian economy increased, the difference between what the Soviets charged India for industrial goods and their free market value grew. The Indian *Economic Review* hit the nail on the head when it wrote, "Though the rate of interest on Soviet loans appears to be a mere 2 and a half per cent, the actual rate (loan in kind) which is quite high lies concealed in the exorbitant prices of the goods supplied by the Soviet Union."⁶

In the ten years from 1955 to 1966, Soviet loans to India amounted to the enormous figure of 1.2 billion U.S. dollars. Nearly 70% of Soviet goods sold 20 to 30% higher than world market prices. In some cases the price discrepancy was even more outrageous. In 1969, the Soviet Union sold spare tractor parts to India at *three times the price* at which the same parts were sold to East European countries. In the same year, the USSR sold nickel to India at 30,000 rupees per ton as against only 15,000 rupees per ton on the European markets.⁷

But the price charged by the Soviets for exported goods is only half the story. India must pay for these goods, and for interest on loans, by exporting numerous goods to the Soviet Union. Once again there is a price discrepancy in favor of the social-imperialists. It is estimated that prices fixed by trade agreements for Soviet imports from India are in most cases 20 to 30% *lower* than world market prices. In short, the Soviet Union is able to extract surplus value from India through huge price gouging as well as the 2.5% interest rate charged. It is only because India is mortgaged to the Soviet Union that the social-imperialists are able to do this.

As early as 1971, Indian Defense Minister Jagjivan Ram conceded that Soviet-built enterprises control 30% of the steel production, 20% of electric power, 35% of oil refining, 60% of the electrical equipment, 75% of the production of electric motors, and 25% of aluminum output in India.⁸ Undoubtedly, these figures are outdated by now. Most of the Soviet economic "aid" goes to build entire industrial enterprises that are constructed under the direction of Soviet engineers and bosses. Even an Indian parliamentary committee was forced to criticize the Soviets' "overbearing attitudes in much the same way as the government found fault with Americans in the past."⁹ By keeping the blueprints and the engineers firmly in Soviet hands, the social-imperialists further maintain the dependence of India on the USSR. It should be remembered that in 1960, the Soviets took their engineers and blueprints with them when they tried to blackmail the People's Republic of China.

In addition to loans to state-owned enterprises, the USSR has found India a ready market for armaments. No official statistics are available on the exact size of Soviet arms shipments to India, but all estimates put it in the billions, further increasing India's indebtedness to the Soviet Union.

This Soviet stranglehold on India has grown stronger with every passing year. In fiscal 1971 to 1972, India asked Moscow for a new loan of 200 million rupees while it still owed 400 million! By 1968 the "debt service ration" reached 28% of India's export earnings.¹⁰ This means that 28% of all the money India takes in from the sale of commodities around the world goes simply to make payments on Soviet loans. The situation is so so bad that even an Indian writer sympathetic to the Soviet Union writes, "It is not unlikely that in coming years the credits from the USSR will be used for repaying old debts and credit receipts will only mean that India's export earnings will be available mostly for importing goods and services."¹¹ This is the same as re-financing your home—you borrow more money to pay the bank you borrowed from in the first place. This is further proof of the subservience of India to Soviet social-imperialism.

Until the last few years, the Soviets were satisfied with extracting raw materials and agricultural goods from India. In recent years, though, the Soviet Union has taken a cue from the U.S. imperialists and begun to set up runaway shops to produce manufactured goods for the USSR.

In 1972, Mishra, the Indian Minister of Foreign Trade, said, "India was ready to undertake production of labor intensive items for the Soviet Union", and that "India could specialize in certain fields and items and produce them to meet Soviet requirements as well."¹² On June 9, 1972, the *Journal of Commerce* reported that India and the Soviet Union were negotiating four conversion deals under which Indian plants will actually process

Soviet raw materials and then re-export the finished products back to the Soviet Union. This is nothing other than the runaway shop! It bears a striking resemblance to the kind of blood-sucking arrangement U.S. textile and electronics firms have going on the U.S.-Mexican border. In addition, many other factories the Soviets have built in India produce goods that are sold back to the Soviet Union, including steel from "model" Soviet-funded steel mills and also surgical equipment.

In February 1972, the *Far East Economic Review* reported that the Soviet Union was preparing to sell industrial goods to the private sector in India as well.¹³ Then, in 1973, the CPSU journal *Kommunist* wrote that "running joint stock enterprises" has "taken priority" for the Soviet Union.¹⁴ Such enterprises are Soviet social-imperialism's answer to the U.S. multinational corporation. These firms enable the Soviets to share in the direct ownership of capitalist enterprises in India, and permits the social-imperialists to directly rip off the surplus value produced by Indian workers. Indeed, there is no limit to the appetite of imperialism, including Soviet social-imperialism.

Soviet domination of India goes way beyond the simple extraction of wealth. The fact that India is mortgaged to the USSR has many other ramifications. In his work, *Imperialism, the Highest Stage of Capitalism*, Lenin quotes a German bourgeois publication as saying, "In these international transactions the creditor nearly always manages to secure some extra benefit; a favorable clause in a commercial treaty, a coaling station, a contract to construct a harbor, a fat concession or an order for guns."¹⁵ In particular, the Soviets have obtained an "extra benefit" by turning India into its main military ally in Asia. While both India and the Soviet Union try to present themselves as great champions of world peace, events have proven otherwise. This is demonstrated most dramatically by the "Bangla Desh" affair.

Seizing advantage of the discontent of the masses in East Pakistan, the Indian reactionaries, backed to the hilt by the Soviets, stirred up a phony "national liberation" movement. They sent armed infiltrators into East Pakistan as well as starting border incidents. Having set the stage, India launched a full-scale attack on East Pakistan which resulted in a quick defeat for the Pakistani army. Only days before the invasion, India and the Soviet Union signed a "friendship" treaty which was really nothing less than a military pact. One provision called for each country to come to the aid of the other if they were "attacked." The *Times of India*, a leading spokesman of India reaction, wrote that, "It is obvious that India would not have liberated Bangla Desh (without) the treaty of friendship with the Soviet Union."¹⁶ After India "liberated" Bangla Desh, the Soviets were quick to rush in and offer "aid" to that country as well.

The Indian subcontinent and the Indian Ocean are both extremely important in the plans of the social-imperialists, and the new tsars are trying to resurrect the dream of the original tsars who sought to expand the boundaries of tsarist Russia

to the ocean's shores. Already the Soviets have supported a military coup in Afghanistan by some pro-Soviet sections of the army. Standing in the way between Afghanistan and the Indian Ocean is Pakistan, and the Soviets are continually plotting to further dismember that state.

As in the Bangla Desh affair, the social-imperialists are trying to mask their imperialist expansion under the sign board of national liberation. The plan calls for the establishment of a "Pushtunistan state" in the area near Pakistan's border with Iran, a "great Baluchistan state" near the Afghanistan line. In February 1973, the government of Pakistan discovered large quantities of Soviet-made weapons and equipment destined for the Soviet trained "guerrilla warfare experts" now at work in Pakistan.

One might think that Soviet penetration into India and their aggressive policies toward other countries in the region would be so obvious that the social-imperialists might try to avoid the subject. On the contrary, they have written endless articles claiming how they are helping India "develop a well-rounded economy," etc. In 1967, in the Soviet journal *International Affairs*, they did say that, "In India the national bourgeoisie and the landlord's are in power." Yet in 1971, when in the middle of the aggression against Pakistan, Indira Gandhi nationalized the Indian banks, the Soviets praised it as a step toward socialism!

The masses of the Indian people are beginning to see through the sugar-coated phrases of the Soviet Union. This year, 1974, huge strikes developed among Indian workers on the railways. Indira Gandhi, who is supposedly taking "steps toward socialism", called out the Soviet equipped army to crush this strike. Over 7,000 militant workers were arrested. The Indian ruling class has also viciously oppressed the peasants who are facing mass starvation as a result of imperialist plunder.

In June 1974, the Indian reactionaries exploded an atomic bomb for "peaceful purposes." A few days later they threatened to develop an H-bomb (for peaceful purposes?) Now that India has nuclear weapons, the social-imperialists are increasingly likely to use India to further their imperialist aims.

While the social-imperialists have gained increasing power and influence in India, the U.S. imperialists have not remained idle. The emergence of a Soviet stronghold in India represents a direct challenge to U.S. strength in South Asia. As we noted before, the U.S. initially attempted to prevent Soviet intrusion through economic blackmail of the Indian government. This policy failed as the internal contradictions of U.S. imperialism—specifically, the contradiction between the overall interests of U.S. policy vis-a-vis other imperialist powers and the particularities of competition between rival U.S. firms in relation to India—created an opportunity for the Soviets to step in and pose as the saviors of Indian "independence." Then, during the 60s and early 70s, the social-imperialists were able to make great inroads while the U.S. was "distracted" and bogged down

militarily in Vietnam, Laos and Cambodia.

Today U.S. corporations still maintain a strong interest in the private sector of the Indian economy, but overall U.S. influence is on the wane. Thus, U.S. policy makers have sought to gain a foothold in Pakistan as a counterweight to Soviet control in India.

This policy has only been partially successful, however. In the Bangla Desh war, for example, the then dominant Nixon-Kissinger policy was to cautiously back Pakistan even though it was clear quite early that the balance of power lay elsewhere. This produced a good deal of criticism from other bourgeois spokesmen like Ted Kennedy. Perhaps representing those U.S. corporations with important interests remaining in India, Kennedy's plan would seem to be to support India and thereby challenge Soviet influence from within, appealing possibly to pro-American compradors and—in a new twist for U.S. policy, possibly picked up from the Soviets—even sections of the national bourgeoisie.

The Soviet Union has been able to use India as a base for increased military activity, particularly naval action in the Indian Ocean where the Soviet navy is the dominant force in the area, with access to Indian ports for refueling and repairs. The Indian Ocean is one of the most strategic waterways in the world, as all sea traffic (including the passage of oil tankers) from Europe to Asia must pass here. It was formerly a U.S. stronghold inherited by the U.S. from Britain. However, the U.S. has now been forced to take up the growing Soviet challenge. The U.S. imperialists have thus made great efforts to win over the government of Sri Lanka (formerly Ceylon), as have the Soviets. More important, the U.S. is now planning to build a huge and extremely important strategic naval base on the small, uninhabited island of Diego Garcia in the center of the Indian Ocean. This base could be linked to and also help protect U.S. strongholds in the oil sheikdoms of Saudi Arabia and in Iran.

Yet even as the U.S. and Soviet imperialists contend for influence and control in India and the Indian Ocean, they join together in collusion against the revolutionary upsurge of the people in that region. The Soviets as well as the U.S. have encouraged and aided the Indian reactionaries in their suppression of mass struggle. And both superpowers have no intention of even letting some junior imperialists, the Japanese, for example, in on the action.

But in India, as in the world as a whole, contention between the two superpowers is primary. In a sense, India is a microcosm of this contention. All over the world the Soviet social-imperialists, today's most "hungry" imperialist power, are challenging U.S. imperialism, employing the very techniques we have seen them use in India. And everywhere in the world U.S. imperialism is resisting this challenge, economically, politically and militarily.

The economic ties between India and the Soviet Union are reflected in the political maneuvers

of the Soviet revisionists in India. Within the ruling Congress Party, the Soviet Union supports its own comprador-bourgeois faction. Although most Soviet "aid" is for state enterprise, some industrial projects financed by the USSR are 25% owned by private Indian capital, so that there are direct private ties between social imperialism and the Indian comprador bourgeoisie under the Soviet wing. Within the ruling Congress Party, the Soviet Union supports its own comprador bourgeois faction, including both private and State capitalist powers in India.

Within the workers movement, social imperialism also plays an important role in supporting Soviet penetration and the continued exploitation and oppression of the Indian people. Soviet influence in the Communist Party of India (CPI) has solidified the CPI in the revisionist camp. The leadership of the CPI pushes social pacifism, sabotages strikes such as the recent railroad strike in which 7,000 workers, including many communists, were arrested, and holds back the development of a revolutionary anti-imperialist movement in India.

3) The Soviet and the Middle East

The Middle East is an extremely strategic area in the struggle between the two superpowers for world dominance. Of utmost importance is that the Middle Eastern countries are the world's leading suppliers of oil, fulfilling nearly all the oil requirements of both Europe and Japan. Thus, control of Middle East oil can be an important weapon for economic blackmail of the imperialists from Europe and Japan and would be of decisive importance in the event of war. The Middle East is also important because of its strategic geographic location, lying at the crossroads of three continents—Asia, Africa and Europe.

Due to these and other reasons, the Middle East has always been a hotly contested area in the rivalries between the various imperialist powers. Since its transformation into an imperialist power, the Soviet Union has gone all out to challenge U.S. imperialism in the Middle East and to try to achieve hegemony there. Egypt, Iraq, and Syria have received over half of all Soviet military "aid" and one quarter of the economic "aid" that the USSR loans to Third World countries.

The last two wars between the Arab states and Israel, the 1967 war and the October 1973 war, were in large degree a reflection of the competition between the two superpowers for control of the Middle East.

Soviet penetration of the Middle East began in Egypt, which for decades had been an English vassal ruled by a feudal monarch. It primarily provided the old imperialist powers with two things—cotton and the Suez canal. British imperialism kept Egypt stunted and backward—essentially a one crop society. After WW II and the weakening of British imperialism, a national awakening took place in Egypt which resulted in a group of Egyptian military officers led by Nasser seizing power

in 1952 and establishing the first "radical" state in the Arab world. Nasser was one of the most dynamic leaders the national bourgeoisie has produced, and for a time he had a great deal of success in his efforts to break the imperialist stranglehold on Egypt. As a result, he won a good deal of popularity among the Arab peoples although he was in no way a true mass leader.

In 1956 two events took place that were to change the history of modern Egypt. Khrushchev made his famous "secret speech" and began turning the Soviet Union back to capitalism; and Britain, France and Israel launched an invasion of Egypt aimed at seizing back the Suez Canal which Nasser had nationalized the year before. After the intervention of the Western powers, and their puppet state Israel, Nasser began to search more desperately for a way to break the Western imperialist stranglehold on Egypt and thus find a way to develop Egypt's backward, one crop economy.

The traditional bourgeoisie in Egypt, those capitalists who owned the few industrial enterprises, were unwilling and unable to provide the capital necessary for rapid development of the economy. This is largely because they were more interested in gaining a rapid turnover on invested capital rather than in any long-range plan to build up the country. So Nasser, like Nehru, in India, decided to try to build up the public sector of the economy, and after toying with the idea of seeking loans from some second-rate Western imperialist powers (like W. Germany), he decided to nibble at the Soviet's bait. In particular, the Soviet Union offered to finance building of the huge Aswan Dam which would enable Egypt to increase its arable land by one third.

The building of the dam and other Soviet-financed projects did give a temporary spurt to the development of capitalism in Egypt—especially to the developing state bourgeoisie—but in no way did it eliminate Egypt's dependence on foreign powers. During the late 50s and early 60s, in order to emerge on the world scene as an imperialist superpower, the Soviet Union was willing to mainly extort a *political* price for its aid. The Aswan Dam became the "living proof" of the Soviet Union's friendship for the developing Third World nations. But even in these early years the Soviets benefited economically by monopolizing Egypt's cotton crop.

The state bourgeoisie in Egypt has always tried to keep a foot in both doors by trying to play the various imperialist powers off against each other for loans, wheat sales, etc. But gradually the Soviet Union clearly got the upper hand and brought Egypt into its "sphere of influence."

In particular, it was arms sales that really put the squeeze on Egypt. The Egyptian army became completely equipped, trained and organized by the Soviet Union. Thousands of "advisors" from the USSR flooded Egypt and took command of the armed forces. Along with increasing arms sales the Egyptian debt to the Soviet Union grew by leaps and bounds. By 1967 the Egyptian debt

to the Soviet Union reached 500 million Egyptian pounds¹⁸. While cotton production remained static throughout the Nasser years, imports of food grains grew steadily from 300,000 tons in 1956 to three million tons in 1967, a ten-fold increase in little over ten years.¹⁹ The annual cost of this imported Soviet grain was equivalent to the value of the entire Egyptian cotton crop! This is the kind of "well-rounded" economy Soviet "aid" has produced in Egypt.

But the social-imperialists were not satisfied with even this. In the Soviet journal *Foreign Trade*, someone writes, "It is widely known that the USSR has been the main purchaser of Egyptian cotton for several years. But the most important feature ... is the radical expansion of the list of Egyptian commodities purchased by the USSR. The present list ... includes ... cotton yarn and fabrics, knitted goods, rice, sesame, ground nuts, vegetables, fruit, etc."²⁰ Soviet "purchases" comprise part of the economic relations of dominance and exploitation enforced by the social-imperialists on Egypt. Not only do the social-imperialists rob the Egyptian people of their cotton; they are snatching everything else in sight!

The very nature of Soviet arms shipments to Egypt and other countries helps guarantee Soviet control. These arms shipments consist in large part of highly technical weapons systems which force the recipient countries to fight conventional wars and hinder real mobilization of the masses for defense. Also, they ensure that only the Soviet Union will be able to re-equip the army with spare parts.

After the military disaster of the June 1967 war, Egypt's dependence on the Soviet Union deepened as the Soviets were called upon to replace weapons lost in the fighting. They made the stipulation that Soviet-supplied weapons could only be used in the case of another Israeli surprise attack and not to fight to regain the occupied territories. Under pressure from the Egyptian people and the Arab masses throughout the Middle East, Anwar Sadat, Nasser's successor, was forced to throw out the Soviet "advisors" and prepare for war with Israel to regain these territories.

Egypt is not the only country in the Middle East that has been singled out for Soviet penetration. In addition to Syria, another "front line" country facing Israeli aggression, they have concentrated on Iraq, important mainly as one of the region's oil-producing nations. The USSR, like the U.S., is rich in natural resources, especially in abundant supplies of oil and natural gas. It is estimated, for example, that the Soviet Union has seven times the natural gas reserves of the U.S. However, abundant supplies of oil in the ground haven't eliminated the need for U.S. imperialism, driven by the law of maximizing profit, to continually seek to exploit cheaper sources elsewhere (like in Venezuela and the Middle East), and the same applies to the Soviet social-imperialists.

In the late 1960s, when Iraq nationalized foreign oil interests, all Western technical personnel were withdrawn from that country. The Iraqi govern-

ment found itself in a difficult situation. But the Soviet Union quickly stepped in to the "rescue." They offered to provide Iraq with needed technical assistance in return for trade agreements providing for sale of Iraqi oil at fixed prices. Today nearly all of Iraq's oil is sold to the Soviet Union at a price way below the world market price.

Starting from this position, the Soviet Union has gradually strengthened its hold in Iraq, once again largely through military "aid" which in Iraq is used for defense against neighboring Iran, a close ally of the U.S. imperialists.

While the fundamental nature of the relationship between the U.S. and the USSR in the Middle East is one of competitors seeking hegemony, they also conspire with each other to suppress revolution. The two superpowers have also tried to enforce a "no war, no peace" which diverts the attention of the masses from making revolution, and which ensures the dependence of the Middle East states on arms shipments from one or another of them. Finally, in October 1973, after six years of such a state of affairs, a number of Arab states, including Egypt, Syria and Iraq, went to war with Israel in an attempt to regain the territories occupied by Israel since the 1967 war.

The Soviet Union reaped huge benefits from this war. Unlike the 1967 war, the Soviet Union demanded hard cash for the armaments it supplied. The Soviets were paid in U.S. dollars, which they insisted upon, and these dollars came from some of the major Arab oil-exporting countries who gave the money to the "front line countries" as their contributions to the Arab cause. *Money Manager* magazine reported that the Soviets had in turn dumped these dollars on the Eurodollar market and were making loans to European and underdeveloped countries for the high interest rates of 10% or more. The magazine pointed out how medium term Eurodollar lending by international banks in the first quarter of 1974 hit a record \$10.5 billion, up four times from the amount lent in the first quarter of 1973.²¹ This is a clear indication of the incredible volume of arms shipments to the Arab nations in the last war, and also of the incredible gall of the social-imperialists who used payments for these arms to turn a quick financial profit.

Immediately after the October war, the Arab oil-producing states banded together to use the weapon of the oil boycott against U.S. imperialism. However, the Soviet Union tried to take advantage of this to further penetrate markets for oil in Western Europe. According to the British *Daily Express*, the Soviet Union forced Iraq to sell a quantity of oil for six million pounds to the USSR as part payment for arms shipments. This oil was quickly sold to West Germany during the months of the Arab oil boycott, for 18 million pounds—a profit of 300% which would make a Rockefeller proud.²²

In the period since the October war, the Arab oil-producing nations, as well as other oil-producing nations from the Third World, have also

banded together to try to force a rise in the price of oil sold to the imperialist powers. Most of the oil sold to the Soviet Union, however, was fixed in price by trade agreements signed when the price of oil was much lower. According to *Pacific Basin Reports*, "Under some contracts the Soviet Union paid the equivalent of \$3 a barrel for the oil, and promptly sold an equal quantity of oil in Europe for more than three times that amount."²³ Thus, instead of supporting the just struggle of the oil-producing nations for higher prices for oil, the Soviet Union held these countries previously contracted to low prices and then took advantage of the higher prices in Europe which were created by the concerted action of the oil-producing nations. *Al Rai al Amm* newspaper in Kuwait declared simply that the Soviet Union had "once again tried to enter Europe via the oil bridge at a time when Arab countries had been using the oil weapon to support the Arab cause."²⁴

Finally, since the October war, competition between the two superpowers has been developing rapidly in the Middle East. The "Kissinger diplomacy" conducted on behalf of U.S. imperialism in general and Rockefeller interests in particular, has been an attempt to challenge the dominance of the Soviet Union in several Arab countries, particularly Egypt. In his June 1974 "mission" to the Middle East, Nixon even went so far as to promise Egypt nuclear technology, allegedly for "peaceful purposes" (and though Nixon is gone now, this kind of policy remains in force).

On its part, the Soviet Union has attempted to make inroads into Israel, the chief puppet of U.S. imperialism in the area. At the height of the October war, the Soviet Union continued to allow large numbers of Jews, especially those with "higher education" and technical skills, to emigrate to Israel, thus providing Israel with its greatest need—more soldiers and highly trained personnel.

At the time of this writing, it is impossible to predict exactly what the result will be of the increasingly frenzied contention between U.S. imperialism and Soviet social-imperialism for control of the Middle East. Already it is clear that the Soviet Union will benefit greatly from the peace agreement between Egypt and Israel which provides for re-opening the Suez Canal, cutting the trip from Soviet ports on the Black Sea to the Indian Ocean by 9000 miles. What is certain is that the intensified contradictions between the superpowers can on the one hand only increase the danger of further war, not "guarantee peace", while on the other hand this does create a situation of turmoil that can be turned to the advantage of the revolutionary struggle of the peoples of the area.

As in the case of India, the Soviet social-imperialists go to great efforts to try to sweeten their plunder with honeyed phrases about "socialism", "peace", and "national independence." The social-imperialist "theoreticians" constantly talk about the "international division of labor." What this theory means is

that some countries' role in the "division of labor" is to grow cotton and produce oil, while the so-called "advanced" countries (read imperialists, especially Soviet social-imperialists) concentrate on heavy industry, etc. This is nothing more than the old theory of the British imperialists that "Britain is the workshop of the world," used to justify keeping vast areas of the world in poverty and backwardness.

The Soviet Journal *Problems of Economics* says, "The possibility exists for the formation and intensification of the division of labor in the fuel and raw material branches between the socialist and the developing nations."²⁵ Later in the same article, they admit, "A rough comparison of expenditures on the extraction of oil and gas in the Soviet Union and on oil and gas imports from certain developing countries shows that under certain conditions, these imports may prove advantageous even for the USSR." Thus, the Soviet Union is trying desperately to come up with a justification for doing precisely the same thing as the traditional imperialist powers—going all over the world with the aim of monopolizing sources of raw materials and extracting super-profits from Third World nations.

What is true for oil holds true for Soviet dealings in natural gas. As pointed out earlier, the Soviet Union has incredible gas reserves. Nevertheless, as an imperialist power the Soviet Union is forced to seek profits, not just gas. Already the USSR has entered into agreement with Afghanistan and Iran for the purchase of natural gas, and is in the process of building pipelines to get the gas into Western and Eastern Europe. This is what the Soviet Union means by the "international division of labor" in the "fuel branches."

The military implications of Soviet penetration of the Middle East are also quite important. Already the Soviet fleet, rarely seen in the Mediterranean prior to the 1967 war, is clearly the dominant naval force in the area. The U.S. 6th Fleet is now welcome only in Greece and Italy; its appearance in Turkey is cause for demonstrations of tens of thousands. And after the recent war on Cyprus—another example of the frenzied contention going on between the two superpowers in the Mediterranean—it appears that the U.S. may have lost much of its influence in Greece, too. In contrast, today the Soviet fleet has access to a large number of ports in the Mediterranean, the Persian Gulf and the Red Sea. And the re-opening of the Suez Canal will tremendously strengthen Soviet military strength in the area, linking the Soviet fleet in the Mediterranean with their strong naval forces in the Indian Ocean.

In any war for domination of Europe or for world domination in general, control of the oil resources of the Middle East would be crucial. The Soviet plan to build pipelines to bring oil and gas from the Middle East directly into Europe via the Soviet Union will be an important weapon in the

contention with U.S. imperialism for control of Europe, as well as ensuring huge profits for the social-imperialists. In fact, this contention over Europe is at present the key area of contention between the two superpowers and adds an additional and very important dimension to their rivalry in the Middle East. Already it is estimated that by 1980, 10% of West Germany's gas consumption will come from the Soviet Union, much of which in turn originates in the Middle East. Italy has signed an agreement with the Soviet Union that will provide 25% of Italy's gas needs.²⁶

Increasingly, the masses of Arab peoples and other peoples of the Middle East are coming to realize that they must fight *both* superpowers—that the Soviet Union which parades about as a friend of the Arab peoples is in fact a vicious imperialist exploiter.

4) Other Instances of Soviet Plunder of Third World Countries

We have concentrated on examining the role of the Soviet Union in India and the Middle East because these provide the clearest examples of social-imperialism's exploitation and plunder of Third World countries. However, the Soviet Union is not content to limit its imperialist penetration to those areas. In every corner of the globe the Soviet Union is attempting to contend with U.S. imperialism for markets for the export of capital, sources of raw materials and to turn other countries into "spheres of influence" of the USSR.

Throughout the Third World the Soviet Union has been functioning as an arms merchant. According to figures compiled by the government of Sweden, the Soviet Union increased its arms sales from an average of 95 million dollars a year, 11.3% of the world's total in the late 50s, to some 37.5% in the early 70s. In 1972 alone, the USSR sold 2.2 billion dollars worth of armaments.²⁷ In recent years the Soviet Union has shifted some of its means of plunder in the Third World from "economic aid" to "aid" devoted to arms. For example, in 1966 "economic aid" amounted to three or four times the amount of military "aid." But in 1970 arms exports came to four times the quantity of "economic aid."

As previous examples have shown, Soviet "economic" and "military" aid do not serve to develop the recipient countries. Such social-imperialist "aid" serves only to hold back the self-reliant development of these countries and to shackle them to the Soviet rulers' never-ending search for profit. Even as the Soviet Union is amassing fortunes out of war they talk hypocritically of "peace," and at the 28th UN General Assembly they proposed a 10% reduction in the military budgets of all nations. This was widely rejected as an obvious propaganda gimmick.

Even in Latin America, the traditional "base area" of U.S. imperialism, the Soviet Union is

stepping up its contention with the U.S. The Soviets have actively made "loans" in a number of Latin American countries, almost always the first step by the social-imperialists in their attempts to move in on their U.S. rivals' turf. Particularly gross has been the Soviet Union's plunder of the fisheries off the coast of South America. The Soviet Union has the most modern fishing fleet in the world, complete with huge trawlers that are capable of hauling in several times the tonnage of fish as the largest U.S. vessels. The exploitation of the fisheries off the South American coast has caused severe difficulties for these countries and has led to the impoverishment of many of the local fishermen who are completely unable to compete with the modern, large-scale fishing fleets of the imperialist powers, and especially those of the Soviet Union.

As a result, the peoples and governments of Latin America have demanded a 200-mile extension of their territorial sovereignty into the sea. This just demand has been supported by the vast majority of Third World countries and has received powerful support from the People's Republic of China and the other socialist nations. The Soviet Union, however, has united with U.S. imperialism and a handful of other maritime powers to try to block the 200-mile limit and force instead a 12-mile territorial limit on the Third World countries.

The Soviet Union has also proposed the "internationalization" of the Panama Canal. This, too, is in direct opposition to the demands of the Panamanian people, who insist on regaining sovereignty over the canal, not "internationalization." Various straits in Asia, important to Soviet commercial vessels and the Soviet Navy, have also been targeted for "internationalization." Because of its opposition to the Third World countries' demand to control their own sea bed resources and straits, the Soviet Union has found itself increasingly isolated. At recent UN conferences on control of the sea, both superpowers have been roundly condemned by the majority of Third World nations.

Like U.S. imperialism, the social-imperialists have tried to blackmail other countries economically and have practiced the ugly policy of "dumping" commodities on the world market with utter disregard for the often fragile economies of Third World countries which can be seriously hurt by a fall in the price of their exports. A clear example of this blackmail is the Soviet relationship with Malaysia. The *Far Eastern Economic Review* reported in 1972 that "When talks began this year for a technical cooperation pact, the Russians attempted to blackmail the Malaysians by threatening to use more synthetic rubber. With the Soviet Union already the largest purchaser of Malaysian natural rubber—buying about 25% of total production annually—the implications were obvious."²⁸ The Soviet vassal India has also been similarly stabbed in the back by the Soviet Union. It is reported that "Indian products

bought at liberal prices with the rupee are resold at discount prices in India's traditional markets for hard currency" by the Soviet Union.²⁹

The social-imperialists have also made use of the revisionist parties in a number of Third World countries to further their imperialist ends. It is well known that the attempted coup in Sudan in 1971 was precisely an effort to establish another pro-Soviet regime through the auspices of the Sudanese CP. In other countries, for example Egypt, the Soviets have ordered the "Communist" Parties disbanded if this furthers their imperialist designs. In Chile, the pro-Soviet "Communist" Party chimed in with the social-imperialists in preaching the fallacy of the "peaceful road to socialism." Actually what the leaders of the Chilean CP and the social-imperialists sought was the "peaceful transition" of Chile from a puppet of U.S. imperialism to a puppet of Soviet social-imperialism. The tragic results of the sabotage by the "Communist" Party of Chile of the revolutionary movement there are of course well known.

As already noted, while contention between the two superpowers is primary overall, the Soviet social-imperialists are not above colluding with U.S. imperialism in a number of forms, including actually insuring U.S. corporations against expropriation by Third World governments. After all, by getting into the "re-insurance" business, the Soviets can manage to turn a few extra bucks at relatively little risk and at the same time help to suppress real revolutionary struggles, an interest the social-imperialists share with their U.S. rivals.

The U.S. government's Overseas Private Investment Corporation (OPIC), set up to protect U.S. monopolies against the danger of expropriation, revealed in April 1972 that the Soviets are helping insure U.S. companies against expropriation in 70 developing countries. The OPIC said that Black Sea and Baltic Insurance Co. of London, a subsidiary of the Soviet state insurance agency, GOSSTRAKH, is underwriting part of \$26 million in re-insurance contracts the OPIC has placed with Lloyd's of London.³⁰ Thus the USSR has a direct financial interest in preventing expropriation of U.S. companies by Third World countries. If in any of these countries the Soviet Union does manage to gain the upper hand, forcing the U.S. out, any losses they pay out in insurance coverage will surely be more than covered by other gains. Thus the social-imperialists protect their interests from two directions.

The subject of Soviet re-insurance brings us to perhaps the grossest single exposure of Soviet social-imperialism—Soviet support for the counter-revolutionary Lon Nol regime in Cambodia.

Since the U.S.-backed coup in Cambodia which deposed the legitimate head of state, Norodom Sihanouk, the people of Cambodia, in close unity with the Vietnamese and Laotian people, have been waging an heroic war of national liberation. Yet for three long years the Soviet Union refused to recognize the legitimate government (the Royal

Government of National Union) led by Sihanouk. This is despite the fact that the Sihanouk government controls over 90% of the territory, has liberated two thirds of the population, and has for several years been recognized by a majority of world governments.

Instead, the USSR gave diplomatic recognition to the Lon Nol clique holed up in Phnom Penh and a few other Cambodian cities. It wasn't until the autumn of 1973, following a conference of non-aligned nations in which all 70 governments represented unanimously called for the recognition of Sihanouk as the only legitimate government in Cambodia—quite an embarrassing situation for the Soviets—that the social-imperialists made a tactical retreat. They then sent a note to Sihanouk that still fell far short of a clear statement of recognition of the Royal Government of National Union. And the Soviet Union still continues to portray the struggle of the Cambodian people as a "fratricidal" war. In this way they try to obscure the true nature of the liberation struggle in Cambodia, which is a people's war supported by the huge majority of the Cambodian people against U.S. imperialism and a handful of traitors.

But the Soviet Union's treachery in Cambodia goes far beyond its mere political and diplomatic support for Lon Nol. Investigations by a U.S. Senate sub-committee and the Australian journal *Financial Review*, have exposed the fact that the Lon Nol clique's insurance company, Societe Nationale Assurance, has been re-insured by the Soviet's GOSSTRACKH as well as by six other foreign insurance companies.³¹ Thus, the Soviet Union has been insuring the very same shipments of petroleum, military supplies and other goods that the heroic Cambodian people have spilled blood trying to stop from sailing up the Mekong River from south Vietnam! Sickening.

5) How the Social-Imperialists Extract Surplus Value From Third World Countries

Our point in discussing these examples of Soviet plunder and interference in various Third World countries is to prove that Soviet foreign policy flows directly from the fact that the Soviet Union has been transformed into an imperialist power governed by the same laws of imperialism that Lenin analyzes in his classic work, *Imperialism, the Highest Stage of Capitalism*. While many of the features of imperialism described by Lenin affect the relationship between the imperialist powers and the Third World (the need to monopolize markets, the struggle for a re-division of the world, etc.), the principal feature of all imperialism that forces it to follow a policy of aggression and plunder is, the driving necessity of imperialism to export capital to all corners of the world, and extract superprofits from wherever it can.

Lenin pointed out that in the advanced capitalist countries, "an enormous growth of surplus capital has arisen . . ." He further pointed out that under imperialism, the export of capital in the

form of loans, industrial equipment, railroads, etc., replaces the old type of international capitalist exploitation in which the capitalists made their profit primarily through *trade*, exporting finished goods to the colonial and semi-colonial world in exchange for raw materials.

The imperialist drive to subjugate nations in order to export capital and extract the blood-soaked wealth of those countries has nothing to do with the desire of this or that government or businessman to gain petty economic privileges. It is the *driving force* shaping the foreign and military policy of all imperialist powers, including the Soviet Union.

Of course, the new tsars of the Soviet Union are not ready to declare themselves imperialists: they go to great lengths to "prove" that they can't be. For example, a piece of Soviet propaganda entitled *Economic Co-operation Between the USSR and the Developing Countries* attempts to prove this point. In it the Soviet apologist, V. Rimalov, writes:

*"The Soviet Union allocates considerable sums of money and material means in the form of credits for the economic development of countries in Asia, Africa and Latin America not because it has a surplus of such means, which (does not) find, as in the developed capitalist countries 'profitable' employment within the country ... The Soviet Union does not, and cannot, have any financial surpluses that must be exported abroad ... In the planned socialist economy, every ruble can be very effectively employed for the needs of the domestic economic development and for the greater satisfaction of the people ... Soviet credits to the underdeveloped countries basically differ from those granted by the imperialist powers ... The Soviet credits are not the export of capital but the means of fraternal assistance from the people of the socialist country to other peoples. As a result, the terms on which they are issued are essentially different from those of the capitalist world market. The major difference is that Soviet credits facilitate the creation of an independent national economy in the former colonial and dependent countries, while the financial 'aid' of the capitalist powers entails the maintenance of economic and, in the final analysis, political dependence of those countries on imperialism."*³²

The author then goes on to point out how the Soviet loans are only at 2.5% interest, how they are repayable over 12 years, etc. Aside from asserting that the USSR is "socialist" and not imperialist, the only real proof Rimalov offers for his contentions is that the Soviet Union indeed charges less for loans than was the practice of the Western imperialists prior to the entrance of the USSR into the capital export market. But Rimalov hardly gives us the entire picture of Soviet "aid." It is precisely in what he leaves out that the true imperialist nature of such "aid" is revealed.

First of all he neglects to inform us that all Soviet "aid", as we noted earlier in this chapter, is *tied*, that it can be used only to purchase goods manufactured in the Soviet Union (sometimes this is stretched to include purchase of goods from

the USSR's East European puppets). These goods, which are *primarily capital goods*—whole factories, heavy machinery, etc.—are sold by trade agreement and not at world market prices.

Numerous studies have revealed the exorbitant prices charged by the Soviet Union. One such study showed that in 1965, of 65 commodities exported by the Soviet Union to both industrial nations as well as developing countries, 53 commodities were sold at a higher price to those countries "lucky" enough to be receiving Soviet "aid."³³ On the average, the developing countries paid 13% more for the same goods than did the industrial countries. More recent figures published by the Chinese indicate that the figure has grown to 20-30%. Clearly this unequal exchange is a vast source of profit for the Soviet Union.

Some people are quick to point out that imperialist profit in the developing countries is obtained from the export of capital and not from unequal trade, and on this basis challenge the assertion that the USSR is, in fact, exporting capital and extracting surplus value from the Third World and other countries.

However, this argument is actually quite hollow. Mao Tsetung wrote, "When we look at a thing, we must examine its essence and treat its appearance merely as an usher at the threshold, and once we cross the threshold, we must grasp the essence of the thing; this is the only reliable and scientific method of analysis."³⁴ While the appearance is that the Soviet Union gets a very low rate of return on its investment, even if they do rake it in through unequal trade, the essence of the matter is that *it is through unequal trade that the Soviet Union realizes the surplus value generated by the export of capital*. In essence, it is little more than a book-keeping arrangement as to whether the profit comes back to the USSR in the form of interest or in the form of superprofits from sales *when the sales are tied by trade agreement to the export of capital*.

Perhaps the following example will help clarify the point. Imagine a coal mine where all the workers are forced to live in a company town in which the company sets prices for all food, rent and other necessities of life at, say, twice the market value of these goods. Clearly it would be superficial to simply look at the wages the miners receive to determine how much surplus value is extracted from their labor. Instead one would have to look at the *real wages*, that is, the value of the goods and services the miners were able to purchase with their paychecks.

This is not to say that the miners are exploited both as workers and as "consumers." The point is that the profit made by selling commodities at twice their value is a mere book-keeping arrangement on the part of the mine owners hiding the fact that the surplus value they rip off comes from the *labor* of the miners, since the miners are forced to purchase their goods at company stores where prices can be hiked up way above actual values due to the company's utter and complete

monopoly.

Essentially this is the same method the Soviet Union uses to mask the amount of surplus value it extracts from those countries, especially Third World countries, to which it exports capital. This is because, to repeat, Soviet trade with "aid" (capital)-receiving countries is linked directly, through treaty, with the terms for repayment of loans and is predicated on the relationship which exists between the Soviet Union as an imperialist power and the "aided" countries as exploited states.

Now let's examine some of Rimalov's other arguments which are supposed to "prove" that the Soviet Union is not an imperialist state. He says that in the Soviet Union, "every ruble can be used effectively for the needs of the domestic economy and for the greater satisfaction of the peoples."³⁵ We have already seen evidence of the sorry state of affairs of the Soviet economy and we shall see more in the next chapter.

It is clear that production in the USSR itself is not geared to the "satisfaction of the people" or we wouldn't be seeing the tremendous shift in production away from the basic needs of Soviet working people into more lucrative fields like vodka and the fashion industry. The argument that the Soviets are making a "sacrifice" in the interests of proletarian internationalism, and that capital exported by the Soviet Union could be productively employed in the Soviet Union, is no more true than the argument pushed by bourgeois liberals and the revisionist "Communist" Party in this country who say that if only we could "divert" expenditures from war and overseas investment there would be no unemployment at home. Such an argument implies that the imperialists *choose* to export capital, that they *choose* to carve up the world into competing spheres of influence. But the imperialists are not just evil or foolish men. They are *forced* to do these things. For if they did not they would not be imperialists.

In response to just this kind of thinking, Lenin wrote the following:

*"This argument is very often advanced by the petty bourgeois critics of capitalism. But if capitalism did these things (eliminate unevenness between industry and agriculture and raise the living standard of the masses—RU) it would not be capitalism; for both uneven development and a semi-starvation level of the masses are fundamental and inevitable conditions and constitute premises of this mode of production. As long as capitalism remains what it is, surplus production will not be utilized for the purpose of raising the living standard of the masses in a given country, for this could mean a decline in profits for the capitalists, but for the purpose of exporting capital abroad to the backward countries."*³⁶

What Lenin wrote about the old Western imperialist powers also holds true for the social-imperialists. Why is it that the Soviet Union purchases natural gas from Iran instead of de-

veloping its own vast gas reserves in Siberia? Why is it that the Soviet Union sets up factories in India, where the wages are as low as 16¢ a day, and imports the product of these factories back to the Soviet Union instead of setting up the factories in Moscow? It is exactly because "capital cannot find a field for 'profitable' investment" and not, as Rimalov writes, "to develop the economies" of other nations. Do the social-imperialists really expect people to believe that their plunder is nothing but "fraternal assistance"? Certainly they will never be able to convince the masses of the Soviet people, or the people of other countries exploited by the social-imperialists, that the reason for the backward state of agriculture in the Soviet Union and the stagnant economy in general is because the Soviet Union is making "sacrifices" out of its "love" for the peoples of the developing nations!

In the Soviet journal *Problems of Economics*, L. Zevin expands on how the USSR helps "develop the economies" of Third World countries. He writes that

*"Collaboration with socialist countries promotes the formation of a rational national economic complex based on modern technology in developing countries, leads to the elimination of the imperfect economic structure inherited from the past and of the one-sided dependence on the external factors, generates potential resources, promotes dynamic economic development and enables developing countries to pay off foreign debts through part of their increased national income without detriment to their economic progress."*³⁷

But facts speak for themselves. In the real world and not the fantasy, propaganda world of Soviet apologists, India, the largest recipient of Soviet "aid," has only gone deeper and deeper into debt to the Soviet Union and can hardly "pay off foreign debts... without detriment to economic progress." Egypt, another beneficiary of Soviet "aid", still has to import millions of tons of grain while concentrating on growing cotton to pay off the Soviet Union for this grain and for the Aswan Dam. Is this the "elimination of the imperfect economic structure inherited from the past" which Zevin writes of? As far as we can see, the only "dynamic economic development" to take place in the Third World countries receiving Soviet "aid" is the rapid development of more exploitation.

In the same article, Zevin has the nerve to quote Lenin who wrote that after achieving victory, the proletariat of the West would help the oppressed peoples of the East make the "transition to machines, to lighter work, to democracy, and to socialism." However, the social-imperialists hardly practice what Lenin preached. Aid from a socialist country can in fact help developing nations strengthen their economic independence, though it cannot substitute for revolutionary struggle of the people themselves to liberate their countries and their productive forces. But Soviet export of capital has nothing

in common with true socialist aid. The factories the USSR builds in India do not mean lighter labor for the Indian workers. Far from it—along with the export of capital goes the export of capitalist exploitation and misery.

While all imperialism "develops the economies" of its victims in the sense that it does build factories, railroads, etc., imperialism prevents real development of the productive forces. In particular, imperialism maintains semi-feudal relations of production in the countryside which prevents the real development of a national market, keeps millions of peasants in starvation, and provides an endless supply of workers who can be worked to death as rapidly as the machinery will allow.

Starving India is the clearest example of how social-imperialism does not "develop the economy" but simply combines capitalist exploitation with a semi-feudal, semi-colonial economy, without in any way fundamentally altering the essential relations of production. To point to a rise in the rate of steel production in India (much of which is exported to the USSR anyway) as proof of a "developing economy" while hundreds of thousands die of starvation and exposure is obscene. But that is what the revisionists are trying to sell the people of the world.

In contrast to social-imperialist plunder under the cover of "aid", genuine socialist countries give real aid, which assists countries of the Third World in the struggle against domination by the superpowers and all imperialist powers and their reactionary accomplices. An outstanding example of this is China's assistance to Tanzania and Zambia in building a railroad which will link the two countries and enable them to increase trade with each other and make it possible for Zambia in particular to transport its major products, especially copper, to the sea without having to depend on the racist regime of Rhodesia.

When these two countries approached the imperialist powers for help the response was that a railroad would be uneconomical and unnecessary. It was clear that a rail link between Tanzania and Zambia would compete with the older railroads built by and run in the interests of the imperialists. China, however, undertook to aid in the task. The Chinese have supplied economic assistance and on-the-spot technicians who live together with the people of Tanzania and are giving invaluable aid in constructing the railroad. In addition, Tanzanian and Zambian students have come to Peking to study railway technology and management.

The completion of this railroad which is scheduled for late 1976 will not only help Tanzania and Zambia in their struggles for self-reliance and independence, but will also strengthen support for the various liberation movements in Africa. Commenting on this aid, President Julius K. Nyerere of Tanzania said during a trip to China in March 1974:

*"The rich nations of the world talk about aid to the poor nations. A few of them give it, but many attempt to use the concept of aid as a cover for further exploitation. China, which is not a rich country, has talked about nothing. It has simply made it possible for us to have a railway linking our two independent African frontier states, without profiting out of our need or even making great propaganda out of it—which you would have every justification for doing... This railway will be of tremendous value to my country and to free Africa. But the example of hard work, and selfless service, which is being provided by the Chinese comrades who are acting as technicians and teachers on the railway may be of equal importance to Tanzania's future development... I believe that you are helping Tanzania, and the African liberation movements, as a contribution towards the cause of world revolution. Our best thanks to you will be to carry that cause to success in our own areas. I promise that we shall do our best."*³⁸

China's policy of providing real aid as opposed to the Soviet Union's use of "aid" as a means of exploitation flows from the diametrically opposite role the two countries play in the world today. This in turn stems directly from the nature of the social systems in the two countries—China is a socialist country ruled by the working class, while the Soviet rulers have restored capitalism and turned the first socialist state into a social-imperialist superpower.

In recent years a united front against the two superpowers is being forged with the People's Republic of China at its head. Throughout the Third World, the people are learning from bitter experience that only by struggling against both superpowers will it be possible for countries to win national liberation and embark on the road to socialism. From country to country the main enemy is different—it is correct, for example, for the people of Indochina to concentrate their main fire on the U.S. imperialists, while in recent years the social-imperialists have been the main enemy in India.

In certain conditions it is even necessary and appropriate to take advantage of the contradictions between the superpowers to defeat the enemy one by one. But at all times it is crucial to see that strategically, both the U.S. and the USSR are *enemies* of the people of the world. To fail to make such a correct appraisal is fraught with danger and can lead to the replacement of the domination of one superpower by the domination of the other rather than achieving real liberation.

Some people, including many sincere revolutionaries, point to the fact that the Soviet Union supports liberation movements in various parts of the world and argue therefore that the Soviet Union's actions are not those of an imperialist. Besides instigating and backing reactionary "insurgent" movements—as in Bangla Desh and other instances already mentioned—the Soviet Union does support certain genuine liberation struggles. But this does not change the fact—

which we believe we have clearly demonstrated—that the Soviet Union is a state monopoly capitalist—imperialist—power; nor is it at all times inconsistent for an imperialist power to support liberation movements. In particular, the Soviet social-imperialists have provided some military and economic assistance to liberation movements aimed at U.S. imperialism because the Soviets hope in this way to gain some advantage in their contention with the U.S.

U.S. imperialism, too, has on a number of occasions done the same thing in pursuing its imperialist rivalries with other major powers. For example, during WW 2 the U.S. to a certain degree cooperated with and even aided liberation movements in Indochina, the Philippines and other places because these movements were directing their fire at the Japanese. But the example of the Philippines shows the danger of failing to firmly grasp and educate the masses of people to the nature of imperialism even under conditions which may make a degree of cooperation with an imperialist power necessary and correct.

The Philippine's Communist Party during and immediately after WW 2 failed to arm its own ranks and the Philippine people with the understanding that once Japan was defeated, the U.S. would turn from a temporary ally to the major oppressor of the Philippines and would move to re-establish its rule there. The result was that the Philippine revolutionary movement suffered a serious setback.

Of course, like the U.S. imperialists, the Soviet social-imperialists don't always succeed in their efforts to take over and use these struggles for their own imperialist aims. The intentions of the imperialists, including the social-imperialists, are one thing, but their success in carrying out these intentions is quite another. In today's world, with the contention between the two imperialist superpowers playing such a decisive role in conditioning world affairs—creating a complex situation of great turmoil marked by both great opportunity and great danger for the people's struggle—it is crucial, in order to seize that opportunity and advance in the face of the danger, to have a firm grasp of the imperialist nature of the Soviet Union and to understand that the laws of imperialism determine, in the final analysis, the actions of the Soviet Union in the world.

6) The Soviet Union and Its Colonies in Eastern Europe

While the Soviet social-imperialists increasingly seek hegemony throughout the world, they have also moved to solidify their hold on Eastern Europe, the "back yard" of social-imperialism. Most of the East European countries, with the exception of Albania, did not originally develop socialism on the strength of their own revolutionary movements. These countries were liberated from the Nazi yoke in the closing stages of WW 2 by the heroic advances of the Soviet

Red Army. In all these countries the Soviet armies were greeted as liberators, and, following the war, the friendship of the Soviet Union and the advent of socialism were welcomed with great enthusiasm by the peoples of the region. In these countries the reactionary classes, the landlords and big capitalists, had in the main allied with or were completely subservient to the Nazis. With the Allied victory these forces lost all semblance of legitimacy and power.

Thus, it was possible after 1945 for these countries to begin the construction of socialism. The form of workers' state adopted by most of the countries was called "people's democracy" because, due to the particular conditions at the time, the dictatorship of the proletariat was based upon a democratic alliance between the working class, the peasantry and sections of the petty bourgeoisie under the leadership of the proletariat. Though these countries, like the Soviet Union, had suffered severely in the war, they began to rebuild their shattered economies on an independent and self-reliant basis with the fraternal cooperation and aid of the Soviet Union.

During the war, the U.S. had pledged to help these countries and the Soviet Union rebuild in "gratitude" for the great sacrifices the peoples there had made in the anti-fascist cause. However, when the Marshall Plan was proposed the political strings attached to such aid were unacceptable. The East European nations were in a bind and, though the Soviet Union also faced tremendously difficult tasks of recovery, Stalin encouraged a policy of cooperation, aid and mutual exchange. Stalin's overall goal was to promote the independent development of the economies of the East European countries, but at the same time he proposed that the socialist nations, as much as possible, cooperate and integrate their economies on the general basis of equality and mutual benefit. Thus, the Council of Mutual Economic Aid (COMECON) was formed.

From the beginning, however, COMECON was sabotaged by the actions of Voznesensky (he rears his ugly head again!), who as the leading Soviet economic official was placed in charge of the organization's development. While it is not completely clear what happened, it appears that Voznesensky to some extent distorted COMECON in the direction of encouraging Soviet dominance. While such dominance never characterized the workings of COMECON before 1956, it apparently continued to exist as a real weakness even after Voznesensky's death.³⁹

Such dominance was also in part encouraged by Stalin's decision at the war's end to temporarily subordinate the overall development of the socialist camp to the recovery of the Soviet Union. With the increasing threat posed by U.S. imperialism's aggressive and expansionist maneuvering—in Greece, for example, and its flaunting of the atomic bomb, it was crucial that the Soviet Union build up its economic and military strength as swiftly as possible. This was

important for the security of the people's democracies, too. But Stalin's policy did not aim at establishing any long-term structural dependency. Rather, his policy was for the time being to put some priority on Soviet needs. This was a necessity at the time and, overall, a correct policy.

Because the East European countries were mainly liberated from the outside, the Communist Parties in these countries were not particularly strong. While many communists had been heroic underground fighters against the Nazis, and while the Party was extremely popular in most countries, the East European Parties did not sink deep and firm roots among the masses and their revolutionary experience was in many respects limited. It is not surprising, then, that these Parties at time made serious errors, even when they were still generally upholding Marxism-Leninism. For example, such errors made it easier for the U.S. and West European imperialists to stir up reactionary revolts in East Germany and Poland in the early 50s.

In 1956 the imperialists managed to take advantage of the mistakes of the Hungarian Communist Party to incite a counter-revolutionary revolt in that country. This was aided by certain revisionist elements in the Hungarian CP. At the time all true communists recognized that many honest people had been duped in Hungary, but they were resolved not to let the imperialists break the unity of what at the time was still the "socialist camp", despite the fact that Khrushchev had already begun to lead the Soviet Party onto the revisionist road.

On the recommendation of Communist Parties throughout the world, including the Chinese Communist Party, Khrushchev sent troops into Hungary. Had Khrushchev been more decisive and moved earlier, before the imperialist agents had the time to mobilize the more reactionary and backward forces in Hungary, a great deal of blood could have been spared.

The Hungarian revolt does not only illustrate the weakness of the East European Parties. Its occurrence was in reality really encouraged by Khrushchev's speech, and especially his attack on Stalin at the 20th Congress some months before. This counter-revolutionary attack threw the whole world communist movement into turmoil, weakening the position of many Parties in and out of power. The Hungarian Party was, it would appear, particularly torn and the imperialists wasted little time in taking advantage of the situation.

Had Khrushchev not launched his attack on Stalin, on Marxism-Leninism and the dictatorship of the proletariat; had he not led the Soviet Party and many other Communist Parties down the revisionist path, the Hungarian communists might have corrected their errors. They might not have moved—as they did—further down the road to revisionism, restoring capitalism in Hungary. The Hungarian events might have been resolved on the basis of strengthening the dictatorship of the proletariat by relying on the masses. This, however, did not take place. Instead Khrushchev,

through force and inducement, dragged the already somewhat weak and vacillating parties of East Europe completely into the revisionist swamp, and these Parties have followed the lead of the Soviet social-imperialists in restoring the capitalist system.

Because most of the East European Parties, with the notable and world-inspiring exception of the Albanian communists, were in fact inadequately steeled and tempered by the mass struggle of the working class, they were easy prey to Khrushchev's revisionism. The Hungarian invasion, which was in general correct at the time because it did prevent an imperialist takeover of what was then a socialist country, also had the negative aspect of frightening the East European leaders into submission. Nearly all the Parties of East Europe endorsed the revisionist theses of the 20th Congress. Among the East European parties the Albanian Party of Labor led by comrade Enver Hoxha distinguished itself by resisting and repudiating these theses.

But while revisionism has transformed the Soviet Union from a socialist country into an imperialist superpower, revisionism has led the East European states into subservience and vassalage to Soviet imperialism. These countries today are indeed the Soviet Union's colonies. They include Bulgaria, Hungary, Czechoslovakia, East Germany and Poland.

Some people argue that this is not possible. They point out that some of the East European states—for example, Czechoslovakia—are in some respects *more* advanced industrially than the Soviet Union. This is true. It was also true of the old tsarist empire, too. As Mao puts it: "Political power grows out of the barrel of a gun." None of the East European states could ever hope to stand up to the Soviet Union militarily no matter how developed its industry. Nor have these countries a broad enough economic base to even equal the *overall* industrial capacity of the Soviet Union even if all were added together. Thus, on a capitalist basis, these countries can only choose either to remain vassals of the Soviets or they can try to escape to the protection and domination of the U.S. imperialists and their West European partners, as Czechoslovakia attempted in 1968.

Of course, there is a third path. It is conceivable that the countries of East Europe might at times be capable of winning a certain degree of national independence either by carefully playing off the two superpowers against each other or by asserting themselves in some other way. Yugoslavia has had some success with this policy and the socialist nations have encouraged such independence, just as they encourage many U.S. puppets to win concessions from and stand up to their masters.

But a long-term policy of real self-reliance and true independence, followed successfully in East Europe by Albania, can only be maintained by a socialist country where the proletariat is in power and where the leadership, guided by the science of revolution, Marxism-Leninism, is not afraid to

mobilize the broad masses in the struggle for independence and socialism. Complete national independence is possible only where the working class is free to exert full effort toward all-round, balanced development of the economy and where the masses and the Party are closely united, gaining strength one from the other. Capitalists themselves, the East European Soviet puppet leaders would never even dream of such a thing. And if they did, they'd call it a nightmare.

Today, as we have noted, the Soviet revisionists have cooked up the half-baked "theory" of the "international division of labor" to justify their plunder of East Europe, as well as other areas. According to this theory, each of the East European countries has a special "contribution" to make in the interests of the new Soviet tsars. As the Bulgarian journal *International Relations*, pointed out, the "international division of labor" "will spawn one-sidedness and dependence in the development of various countries" and will "aggravate inequality among countries."⁴⁰

The main vehicle for Soviet economic domination of East Europe is COMECON. Voznesensky would indeed be proud to know that his prize pupil, Kosygin, has learned his revisionist lessons here as well. The Soviet social-imperialists argue that all COMECON countries must recognize the "leading role" of the Soviet Union. They declare that certain countries, for example, Bulgaria and Mongolia (a non-European member of COMECON, also under the heel of Soviet domination), needn't "develop certain industrial departments" because the Soviet Union already "has built up such industrial departments." These countries are instead ordered to supply the Soviet Union with raw materials or even, in the case of Bulgaria, cheap imported labor.⁴¹

Each year tens of thousands of Bulgarian woodcutters migrate to the Soviet Union to cut wood in the forests of Kom. And this year it is reported that about 20,000 Bulgarians are working on construction of a huge paper and cellulose factory near Archangel in the Soviet Union. Couldn't these workers be making a greater contribution to the development of the Bulgarian economy?⁴²

Of course, in Bulgaria the Soviet social-imperialists have encouraged the development of Black Sea resorts at such places as Varna. For the workers? Hardly. These beaches have become the exclusive holiday preserve of Soviet and East European officialdom and are increasingly being opened up to West European and U.S. tourists, too.

In the more industrialized centers of COMECON, the economies are also distorted. Czechoslovakia, for example, has built up an advanced machine tool industry far more extensive than would be called for at this point were the economy being developed in an all-round way. This industry is oriented toward satisfying the needs of the Soviet Union. The Czechoslovak economy has become lopsided and totally dependent on foreign (mainly Soviet) trade. In Poland specialization in the interests of Soviet dominance has caused a reduc-

tion in the variety of Polish products. Critics there point out how this is "unfavorable in terms of technical progress, raw materials and investments."⁴³

Further, under the pretext of "fraternal co-operation", the Soviet Union has monopolized the supply of fuel and raw materials to East Europe. This is an extremely important method of control. According to statistics, East European COMECON members "now import from the Soviet Union almost all their oil, 80-90 per cent of their iron-ore and timber, three quarters of their oil products, rolled metal and phosphate fertilizer and over three-fifths of their cotton, coal and manganese ore."⁴⁴

As we noted previously, the Soviets often sell such raw materials at a substantial markup, having obtained these cheaply in return for credit from Third World nations like India, Egypt or Iraq. This markup enables the social-imperialists to also place the East European nations in a financial squeeze. Between 1960 and 1970, Czechoslovakia alone was forced to provide the Soviet Union with two billion rubles in loans and investment. Bulgaria has complained that "the redistribution of its agricultural investment to the raw materials departments of other countries will domestically slow down its own agricultural development."⁴⁵

In the course of restoring capitalism, the East European states have also served as stalking horses for the social-imperialists. Many of the "reforms" initiated in the Soviet Union in the course of capitalist restoration were previously tried out in "experimental" form in some of the East European countries, especially Hungary and East Germany.

We in the RU have not yet completed our research on the question of East Europe and we do not as yet fully understand the particularities of capitalist restoration in these countries. Nor are we yet aware of *all* the mechanisms by which the Soviet Union dominates the region. We do, however, know enough to be convinced that these countries have become colonies of the social-imperialists. For further information we are running as an appendix to this book an informative article by two Albanian authors which appeared in the May-June 1974 *Albania Today*. This article goes more deeply into the methods and forms of Soviet economic exploitation and control of East Europe.

It is also important to note that the East European countries are resisting Soviet control. In 1968 the Czechoslovak Communist Party was temporarily taken over by a different clique of capitalists who were convinced that a more profitable future for the Czech bourgeoisie could be found outside the Soviet orbit. Headed by the revisionist Dubcek, they initiated certain "reforms" in the Czechoslovak economy. While covering themselves with talk of democracy and making some small concessions to the masses (almost exclusively, however, to the petty bourgeoisie), Dubcek and his followers attempted to reorder the economy along the lines of what they called "market socialism." In theory this was really only

an extreme, competitive, capitalist version of the Kosygin "reforms." But its real purpose was to open the economy to Western investment. One indication of this was that the Czechs were making moves to transfer their currency from a standard based on the Soviet ruble to one of direct convertibility with the dollar.

The Soviet Union, however, would not stand for this. The Soviet rulers were not really concerned about whether the Czechs tried out some new capitalist economic "reforms" or not. In fact they were happy to have the Czechs experiment with whatever capitalist methods might produce the most profit for the Soviet Union. And in matters of "theory", the Soviet revisionists were not too concerned about the Czechs' attempts to more openly promote bourgeois liberalism under the cover of Marxism, though here we should emphasize that the political loyalty of the East European puppet Parties to Soviet policy is an important benefit the Soviet leaders do not care to lose. But what the social-imperialists were mainly worried about in Czechoslovakia was the possible "loss" of that country to U.S. and West European imperialism. This Brezhnev and Co. could not stand for. They thus launched a brutal invasion of Czechoslovakia in August 1968.

This invasion was not like the intervention in Hungary in 1956, because the Soviet Union by 1968 had been transformed into a full-fledged imperialist superpower. Although the Dubcek government did not represent the interests of the Czechoslovak people, the social-imperialist tanks represented an even more powerful enemy. And the people certainly recognized this. Indeed, despite the fact that Dubcek's government capitulated at once and urged the masses to passively lay down their arms, the people of Czechoslovakia fought back, spontaneously with great courage. Communists have soundly condemned the Soviet invasion of Czechoslovakia as an act of imperialist thuggery. We are convinced that one day the Czechoslovak people will rise up again and eventually free themselves from the interference and domination of Soviet social-imperialism and all imperialism.

Suffering under the jackboot of Soviet social-imperialism, the countries of East Europe have been increasingly torn apart by sharp and worsening contradictions. This has also called forth growing mass resistance. The greatest such episode so far took place in Poland in 1970-71. On December 13, faced with severe economic difficulties attributable directly to distortions of the economy created by social-imperialist domination, the Polish government drastically increased prices on a wide range of basic consumer necessities. This detonated a tremendous revolt by the Polish workers. In Gdansk on December 14, a general strike took place and the local Party headquarters was sacked. On December 17, the revolt spread to Szczecin and on the 19th to Elblag. The government response was to bring in tanks and shoot down the workers. But this failed to stop the revolt. Finally, the government and Party leadership

headed by the blood-stained dog Gomulka was forced to resign. Gomulka and his coterie were replaced by a new Politbureau headed by Edward Gierek. The troops were withdrawn but the price hikes remained in force.

At last, on January 25, 1971, Gierek agreed to meet with the still striking workers. As a good lackey, one of his first demands of the workers was "to cease the attacks (I know that they are circulating) against the Soviet Union."⁴⁶ This really reveals where things were at!

Gierek eventually managed, after many concessions, to get the workers to return to work. Excerpts from his discussions with workers at the Warski Shipyards in Szczecin were published in 1972 by the British journal *New Left Review*.⁴⁷ These are quite enlightening and reveal very clearly that the Polish working class is becoming more determined in its struggle against revisionists like Gierek and his bosses in Moscow.

The Polish people and the peoples of all the East European countries have a rich tradition of struggle. They will surely unite to overthrow the rule of the new tsars.

7) Western Capital Exploits Russian Workers

One result of the rebuilding of capitalism in the USSR is that Western capitalists are welcome to exploit Russian workers and raw materials. This is an especially ugly feature of Soviet social imperialism.

With the October revolution, the Russian people rid their country of the imperialism of the tsar and the Russian ruling class and put an end to imperialist penetration of their country. Now with the restoration of capitalism, Russia under the new tsars is once again imperialist and open to exploitation by other imperialists.

How exactly does this work? Since the USSR supposedly has "ownership of the means of production by the whole people", how can we maintain that the Soviet working class is being exploited by foreign capital? Isn't it just trade on an equal basis, as the revisionists claim? Let's look at the facts and listen to some people who know better.

As the revisionists become more and more ambitious in their forced march to rebuild capitalism, they are not satisfied with the tempo and scope of development. Furthermore, the revisionists have been wrecking the Soviet economy and cannot supply people with basic necessities. They lack capital, especially since a lot of it is tied up in the armaments industry. So they turn to the West where they find eager competing capitalists in search of new markets and investment opportunities for their capital exports. U.S. papers are full of these deals. The building of an auto plant by Fiat, the Occidental natural gas deal, the plans for joint ventures to extract raw materials in Siberia (oil, timber, uranium) etc.

But isn't it a contradiction that Western imperialists, always looking for superprofits and

control over their investments should invest their money in countries where they are legally barred from traditional forms of capitalist ownership?

This was indeed one of the worries the capitalists had before they started to make big deals with the USSR and the East European countries. But they soon found that reality is quite different. In a revealing and unique roundtable discussion organized by *The New York Times* with experts on East-West trade, the following discussion developed which is excerpted here:

Times: "How do you do business and at the same time satisfy both the desire of the multinational corporation to have full control of an enterprise and the doctrine of the communist system of ownership of its own assets?"

Hendricks (representing 145 companies): "By changing the psychological approach. Mr. Fakete (Deputy Governor of the Hungarian National Bank) once made a joke by suggesting that Eastern Europe was the most secure place in the world for an investment because everything was already nationalized. In other words we just have to change our approach. Our partner is the government. You negotiate transactions in which control does not depend on ownership."

The discussion goes on to point out that many East European countries (Hungary, Rumania, Yugoslavia) have changed their laws to make it legal for foreign companies to invest money in factories, mines, etc. The USSR has not gotten around to this. However, it doesn't really matter, as shown by the following statement from Samuel Pisar, an international lawyer specializing in East-West trade who was in on the Occidental deal:

"Theoretically, foreign equity ownership is against Marxism and Leninism. Capitalists are not allowed to exploit production in Communist countries. But let us see if there are any ways of getting around this. What does an American company look for? Number one it looks for control. Does that mean they could get control of a board of directors in the Soviet Union or in Hungary or in Poland? Out of the question. Not for many years anyway. But this is not really necessary. If you do a joint project with a Communist state company, it is not impossible to write into the contract a provision for a joint management committee. The Communist board of directors doesn't exercise much power anyway and it doesn't know anything about international selling and marketing. But the management committee, which may consist of several Americans and several Easterners, is not ruled out by Marxism-Leninism. Such a management committee could design the plant, put it into production, exercise quality supervision, develop the marketing aspects, without offending the Communist dogma and laws. One day, equity in the true sense may also be possible."

This was put very well, but how about profits?

How are they extracted? Let's listen to Pisar again:

"I remember a major deal where the American company would have accepted a piece of equity of the deal and if equity could not be given a piece of the profits defined by contract. But the Communist philosophy did not permit that. The company ended up getting something superior to equity and to profit. It got a royalty, a participation in the gross turnover of the venture; paid in hard currency."

In the case of Fiat, which built a complete auto plant in the Soviet Union, that means that for every car the Russian workers build the Italian firm is getting a cut. In other words, the profits are split between the Soviet state-monopoly capitalists and the foreign capitalists. The example of Fiat makes particularly obvious what the introduction of capitalist plants means to the Russian working class, because Fiat copied the plant exactly from the plant they run in Italy, where tens of thousands of Fiat workers have for years been waging a fierce struggle against speed-up and inhuman working conditions. (Once during one of the many wildcat strikes at Fiat, management argued: "We don't know what our workers are complaining about. We work here the same way as in the plant we built in the Soviet Union.") Now the revisionists have blessed the Russian working class with the same, which only shows that they are digging their own grave, because the Russian working class is bound to rise up against this oppression and overthrow this whole new capitalist system altogether.

In addition to the form of investment typified by Fiat, where the profit comes in the form of royalties, another form is becoming more important—loans to the USSR by Western banks. The rate of interest paid is around 6%. As *The Times* reported (12-9-1972), Western bankers are very happy that the USSR and the East European countries "are coming back into the debt market"—because this represents another way for them to extract profits created by the Soviet working class.

As analyzed elsewhere in this Red Papers, the fact of state ownership alone does not determine that the benefit of production goes to the working class. The real question is, who has the political power? What class of people runs the state? Let's listen once more to Pisar, who really knows the ropes:

"Now obviously control over the means of production cannot be obtained through ownership, because as we have all agreed, ownership is not allowed. But why can't we do this? Why can't we say to the Eastern side, your state will be the owner of the installation, the owner of the equipment. We will take a lease on it for say five years, 10 years, 15 years. Now you are the owner. We are not holding title to these means of production in a socialist country as Lenin and all the others said we could not. But while we are renting the facilities we are

controlling all the practical things that go with being in charge, producing and shipping, measuring and so forth."

This shows how things work. While the Western imperialists don't give a damn what legal form the ownership of the means of production takes, they are very much interested in "controlling the practical things", like production, profit, market, etc. Part of the "practical things" in this case is the Russian working class, which is being "leased" for exploitation by foreign capital, and this of course is the only source of profit, as was explained in the first chapter.

The Soviet revisionists try to justify this by saying that Lenin did the same thing when he introduced his New Economic Policy. As analyzed in Chapter 2, however, this only serves as a cover-up of the real tendencies of the Soviet revisionists, because the USSR of 1920 is not the same as that of 1974. What was done then, in a limited degree and controlled by a real Communist party and proletarian state was intended to serve the reconstruction of the destroyed Soviet economy and to help build socialism. What is being done today serves the ambitions of the new ruling class in the USSR and does not aid communism, as claimed by some Senators, George Meany of the AFL-CIO, and the "Communist" Parties of the USSR and the U.S.

Another argument being used by the Soviet revisionists boils down to the accusation that the "Maoist forces" are against foreign trade and pursue a "closed door" policy. Nothing could be further from the truth.

Today China has trade relations with over 150 countries, but these are quite different from the trade relations established by the Soviet Union. China's trade with other countries is based on

"equality, mutual benefit and helping to meet each other's needs." Let's take one example of imports of cereal grains. Both China and the USSR import wheat. They do it for different reasons. The big wheat deal between the U.S. and the USSR, a result of Soviet agricultural failures, ended up by inflating world market prices, which enabled the revisionists to resell a large share of the wheat to other countries at a huckster's profit. The deal also created price-inflating grain shortages in the U.S. itself.

China, however, is self-sufficient and imports wheat not for profit but in order to be able to export more cereals, especially rice, to Third World countries, often as outright grants. China has no internal or external debts and her imports and exports are balanced. By way of comparison, the USSR is indebted and has heavy problems with her balance of payments.

Another even more important difference is shown in the following remarks by China's Minister of Foreign Trade, Li Chiang. He says the Chinese people are following a policy laid down by Mao Tsetung of "maintaining independence, keeping the initiative in their own hands, and self-reliance", and continues:

"China will never try to attract foreign capital or exploit domestic or foreign natural resources in conjunction with other countries, as does a certain superpower masquerading under the name of 'Socialism.' She will never go in for joint-management with foreign countries, still less grovel for foreign loans as does that superpower."

Indeed, the Chinese people have shut the door to imperialism. Trade, yes. Exploitation, no. We are sure that the Russian people will shut that door once again when they overthrow the new tsars as they overthrew their forerunners.

1. V.I. Lenin, *Imperialism*.
2. Lenin, *Imperialism*.
3. Lenin, *Imperialism*.
4. *Mézhdunarodnye dela* (International Affairs), May 1967.
5. Quoted in Asha Datar, *India's Economic Relations with the USSR*, Cambridge, 1972.
6. Quoted in press release of the Chinese UN mission, October 31, 1973.
7. *Peking Review*, March 29, 1974.
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13. *Far Eastern Economic Review*, February 17, 1972.
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15. Quoted in Lenin, *Imperialism*.
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20. *Foreign Trade*, 1965, #3.
21. *Money Manager*, April 14, 1974.
22. "Now Arab Fury Turns on the 'Capitalist' Russian Oil Barons", *Daily Express*, December 28, 1973.
23. *Pacific Basin Reports*, January 1974.
24. *Peking Review*, January 11, 1974.
25. *Voprosy Ekonomiki*, February 1972.
26. *Pacific Basin Reports*, January 1974.
27. Press release of the Chinese UN mission, November 27, 1973.
28. *Far Eastern Economic Review*, July 8, 1972.
29. *Far Eastern Economic Review*, January, 19, 1972.
30. *Pacific Basin Reports*, July 1973.
31. *Pacific Basin Reports*, June 1973.
32. V. Rimalov, *Economic Co-operation Between the USSR and the Developing Countries*
33. James A. Carter, *The New Cost of Soviet Aid*, N.Y., 1969, p. 39.
34. Mao Tse-tung, "A Single Spark Can Start a Prairie Fire", *Selected Works*, Vol. 1, p. 119.
35. Rimalov.
36. Lenin, *Imperialism*
37. *Voprosy Ekonomiki*, February 1972.
38. *Peking Review*, March 29, 1974.
39. Michael Kaser, *COMECON*, Chs. I, II.
40. Quoted in *Peking Review*, July 5, 1974.
41. Same source.
42. *Albania Today*, May-June 1974. See appendix.
43. Quoted in *Peking Review*, July 5, 1974.
44. Same source.
45. Same source.
46. *New Left Review*, March-April 1972, p. 38.
47. "Polish Workers and Party Leaders—A Confrontation", *New Left Review*, 72, March-April 1972, pp. 35-53.

V. EVERYDAY LIFE UNDER SOVIET SOCIAL-IMPERIALISM

Marxist-Leninists have only begun the kind of thorough investigation of the actual workings of Soviet social-imperialism that is needed. We offer the preceding analysis of the social-imperialist economy and the role of the Soviet Union as an imperialist power as a contribution to this investigation, but we recognize much remains that is difficult to explain. We also recognize that this kind of basic analysis, while essential, and while clearly indicating that the Soviet Union is a capitalist-imperialist and no longer a socialist country, is itself limited. We must also know more vividly what the restoration of capitalism has meant to the Soviet people in their everyday lives.

1) A Rising Standard of Living?

In confronting this question, we must hold no illusions about what socialism was like in the Soviet Union. While it brought tremendous progress and benefits to Soviet working people, and qualitatively changed the nature of work and life in society generally, socialism is not a utopia. Class struggle continues, and in the conditions of the Soviet Union great sacrifices were called for, especially at crucial points, in order for the working class to hold state power, maintain its alliance with the peasantry as the basis of that power and build the foundations of a rational, planned economy in the service of the people.

Under Stalin's leadership most of the resources of the society were invested in two areas—defense and the future. The production of the means of production, that is, of factories, machines, tractors, etc., took priority over the production of immediate necessities, and the diversion of vital resources to the production of defensive weaponry—but not of a grand imperial navy like today—was necessitated by the harsh realities of imperialist encirclement, Nazi invasion and "Cold War." Thus, the Soviet people often had to do without many of the things Americans, including many American workers, take for granted.*

*Today, while it is clear that this policy was in the main necessary and correct, perhaps too much emphasis was placed on the development of "heavy" industry to the unnecessary detriment of consumer production and agriculture. In present day China diversified light industry is being developed alongside the more dynamic sector of heavy industry. Yet here, too, sacrifices must be made in the interests of defense and balanced future development.

It would be a bit dishonest, then, for us to point an accusing finger at the social-imperialists and call attention to the present lack of adequate housing and shortages of foodstuffs or consumer durables which do exist in the Soviet Union without recognizing that these problems also existed before 1956. But it must be recognized that today these problems arise in a completely different context.

We certainly do not resent the somewhat higher material standards enjoyed by many Soviet citizens today, nor do we look down upon needed improvements from the high horse of petty bourgeois moralism as "decadent" and "corrupting" in themselves. We do, however, recognize and stress that insofar as economic advances have benefitted the working people, they are the result not of the social-imperialists' generosity, but of the legacy of hard struggle and selfless labor for the future bequeathed to today's citizenry by a generation of Soviet workers and peasants led by the Communist Party and Lenin and Stalin.

Moreover, we are fully convinced that any improvement in the general standard of living of the laboring masses can only be temporary under social-imperialist rule. Back in 1927, when bourgeois economists were jumping up and down with excitement about the "wonders" of post-war capitalist stabilization and the rising standard of living of the people, it was none other than Stalin who pointed to the illusory nature of these gains. Accurately predicting the onset of the "Great Depression" and of a new imperialist war, Stalin pointed out: "Partial stabilization is giving rise to an intensification of the crisis of capitalism, and the growing crisis is upsetting stabilization—such are the dialectics of the development of capitalism in the present period of history." The same could be said today of social-imperialism and the "successes" it trumpets to the world.

Furthermore, the kind of "improvement" which has taken place in the standard of living of the Soviet people is extremely uneven and in most important respects represents, in fact, a step backward. Under Stalin inequalities did exist and Marxist-Leninists have concluded that these were too extensive. Such inequalities included wide wage differentials between skilled and unskilled labor and higher compensation for managerial

and technical personnel. Yet overall economic development was carried out in the interest of the broad masses, and basic necessities were priced as low as possible. Where shortages did exist, rationing ensured that the poorest would not suffer most.

The development of collective, social institutions was stressed over the production of private consumption goods. Standard of living cannot be measured in gross quantitative terms like GNP or other capitalist-type production indices. The quality of life must also be assessed, as must the pattern of distribution of socially produced goods and services.

In the Soviet Union today, the distribution of wealth has grown increasingly uneven and the ruling class is in every respect a privileged elite. Expanding differentials in income are coupled with cutbacks in social services. While material standards may have improved somewhat for some, it is the bourgeoisie whose living standards have really risen. At best, the workers have managed to retain a few crumbs.

2) The Growth of Inequality

In the past Soviet production strongly leaned toward the creation of improvements which could be collectively enjoyed by large numbers of people (like theatres, public transportation, etc.), but today the production of individual luxuries, available mainly to a few, is stressed. While this may contribute to the maintenance of a rising production chart, it does little for the Soviet masses and reflects their lack of mastery over production. To produce more luxury goods, prices of consumer necessities have been raised drastically. As we noted before, between 1959 and 1965 prices of 15 major consumer items rose by 42% and even the government journal *Sovetskaya Torgovya* (Soviet Commerce), had to admit that the stores stock only expensive clothing and that many customers have complained about the shortage of cheap autumn and winter wear.²

This gives some indication of the growing tendency of the Soviet bourgeoisie to flaunt its new-found wealth in "style." The fourteen luxury cars which Brezhnev owns do not merely represent that leader's personal idiosyncrasy. We can point also to the newly developing Soviet fashion industry which is trying so hard to mimic the Diors and St. Laurents.

The Soviet press itself has noted the rising trend of officials purchasing "country homes", often former estates of the tsarist nobility. For example, the chairman of a collective farm in the Azerbaijan Republic built a 16-room villa "unrivalled in splendor" in the whole area.³ More recently, political squabbling among the social-imperialists forced exposure of the fact that Mme. Yekaterina Furtseva, a former crony of Khrushchev's and a top Soviet leader, had embezzled state funds to build what can only be labelled an extravagant mansion as her personal country dacha.

But perhaps most revealing of all, because it involves the direct exploitation of human labor, is

that in recent years many professional and official families have begun to hire what Russians call an "incomer" (*prikhodiashchaia*)—a personal maid. These women, like their U.S. counterparts, are paid extremely low wages and are subject to degrading treatment. Also, as in the U.S., they are frequently members of oppressed nationalities and are new arrivals from the countryside who lack training for skilled work.

In the past such women were put to work on projects of general social utility, from street sweeping to day-care, until they could be trained to enter the industrial work force. Today, they must cater to the personal need of their new rulers. And no doubt the Soviet bourgeoisie joins in chorus with their western counterparts in complaining of the shortage of "good help."⁵

One particularly glaring example of how the Soviet bourgeoisie lives "the good life" off the sweat of Soviet workers is the story of Bella Akhmadulina, the Soviet Union's leading young poetess and ex-wife of the famous revisionist poet, Yevgeny Yevtushenko. She is now married to the writer Yurii Nazibar. According to a personal interview in the *New York Times*, Ms. Akhmadulina is "a millionaire." She has a full-time maid and butler, a fancy car with a chauffeur, and, of course, a country house. Enough said about the Soviet leadership's claims to be "building communism", a system where distribution of wealth is according to need!⁶

Yet such blatant flaunting of wealth can only go so far. The Soviet rulers have to keep up the pretext of working class rule. Thus, a system of official corruption has developed which makes a mockery of rules and restrictions. For example, Soviet executives have taken a cue from their class brothers in the West in milking that well-known hidden income source, the expense account.

Legally, expense accounts in the Soviet Union are quite small. But the managers and bureaucrats have gotten around this. They bill each other's firms instead of their own! And, apparently, some firms in resort areas seem to exist for little more than to provide the source of what is essentially expense account funding of pleasure junkets for executives of other companies. For example, the Sochi Construction Organization #2 (Sochi is a resort on the Black Sea) once paid out 1300 rubles for the visit to town of A.V. Manvellian, director of the Southern Trade Construction Enterprise of Krasnodar, and a friend (not his wife), all of which was charged to cost overruns.⁷

This is not unusual. Note, for instance, the uses made of the "business conference." *Komsomolskaia Pravda* reports that a company from Krasnodar held a three-day seminar at Sochi, racked up a bill for 4,000 rubles (nearly \$5,000), and left no sign of actual business meetings. There were restaurant bills, a charge for a sight-seeing excursion, items for a typist and a stenographer (and what did this disguise?), but no seminar programs or records.⁸

And what are we to think of the conference on

milk and dairy production organized by the Sochi milk enterprise for 180 out of town delegates? Again according to *Komsomolskaia Pravda*, "No documents were found after the conference except for the resolution adopted by the conference which was printed two months before it took place!"⁹

These examples, of course, reveal only the extent to which managers and technical people are free to live high on the hog. The real power-holders, however, are, as we pointed out before, the high state officials who form a new state-monopoly capitalist class.

While it is occasionally in the interest of this ruling group to expose the "excesses" of their subordinates, partly to keep them in line and partly to pacify the justly outraged workers, such corruption is an integral part of the Soviet bourgeois way of life. As a Baku taxi driver summed it all up for a U.S. reporter: in the Soviet Union, to get almost anything "either you have to have a friend or it takes money."¹⁰

But what about the workers? How have they fared? Though some workers have been granted a few concessions in the form of higher wages, most have paid a stiff price in terms of security, working conditions and quality of life. In the previous chapter we described some of the ways in which capitalist restoration has affected workers on the shop floor, bringing on speed-up, layoffs and other ills stemming from bourgeois control of production. But outside the plant the status of workers has been sharply degraded, too.

First of all, we should note that in a society where the working class is really in power, to be a worker is considered a noble and respected activity, as it is in China, Albania and other socialist countries. Not so in the Soviet Union.

There was a survey taken of occupational preferences among Soviet high school graduates in June 1971. This was the first graduating class, by the way, to be raised completely under revisionist rule. In general, students looked upon the traditional petty bourgeois careers of scientist, surgeon, engineer, writer as having the most status. The most preferred working class jobs were the skilled positions of turner and polisher. In Novosibirsk these ranked 39 and 40. In Kostroma, a factory town, they ranked 75 and 76!¹¹ This only confirms the complaint of Georgi Kulagin, Director of the Sverdlov Machine Works Combine, who wrote in the journal *Literaturnaia Gazeta*, that since 1967 young people were refusing to become workers, finding it "beneath their dignity."¹²

The regular reader of the Soviet press will not generally conclude that there is any unemployment in the Soviet Union. The papers are filled with complaints of a labor shortage, mainly of skilled workers. Such complaints can also be found in the newspapers (want ads especially) in the U.S. and other openly capitalist societies. The establishment of "Bureaus for the Utilization of Manpower Resources" in 1967 was largely a response to this problem. The bureaus were designed to assure an equitable distribution of skilled labor among

various factories and plants, preventing a successful enterprise from hogging more than its fair share of skilled hands. They serve only marginally as true unemployment offices.

It is, however, at least partly the decline in prestige of working class careers and the growing income gap separating skilled labor from the bourgeois professions which has tended to discourage young people from improving their technical skills. After all, why become a lather or a carpenter when one might aim higher and become an engineer? The catch, of course, is that there are already too many engineers and the recruitment of new ones is basically limited to the privileged groups: the new bourgeoisie has already closed its ranks.

Meanwhile, the number of unskilled workers continues to grow. As the Soviet rulers seek to maximize surplus value in the form of profit by sacking unskilled workers through Shchekino-type ventures, a contradiction is developing between a growing pool of unskilled workers and a decreasing demand for their labor. Moreover, the problem is further sharpened by a continual and increasing flow of completely untrained young people streaming into the cities from the countryside as a direct result of revisionism's miserable failure in agriculture—the result of capitalist restoration. For example, in the region around Moscow the rural population decreased by 25% between 1959 and 1970.¹³

The proletarian response to this would be political mobilization for technical training aimed at breaking down distinctions between expertise and execution. This is impossible, of course, if the working class does not hold state power. An alternative for the Soviet bourgeoisie would be to increase the material incentive to become a skilled worker. But this conflicts with the need of capitalism to maximize profits at the expense of the workers. Under imperialism superprofits from ventures abroad can be used to bribe a small stratum of the skilled workers. This carries the added benefit for the capitalists of forging a social base for imperialism within the working class. But this policy also is limited by the need to maintain exclusionary barriers between the skilled labor aristocrats and the masses of workers.

Thus, a situation has developed in the Soviet Union which is similar to what we have in the U.S., although it is still not so advanced as here. In the U.S. almost everyone is aware that official unemployment figures hide a whole mass of millions of people who have long since given up the search for work. By and large these people constitute a reserve army of labor which permits the capitalists to more effectively hold down all workers, both employed and unemployed. In the U.S. and in the Soviet Union there are always a few skilled positions open while many ordinary unskilled workers go hungry.

Although the social-imperialists have not yet admitted to the existence of this problem (which, we grant, is as yet not nearly so severe as in the countries where capitalism has existed longer "uninterrupted" by any period of socialism), there

have been some indications in the Soviet press of its development. The most striking evidence is, of course, the marked increase in social ills like thievery, begging and drunkenness associated with the emergence of an unemployed reserve army. We shall discuss these shortly. But one indication that we find most outrageous is the appearance of reports like the one in the June 16, 1971 *Komsomolskaia Pravda*.

In that issue a young worker named A. Poriadkov told how in search of work he had travelled several hundred miles to Kama, where the Soviets (with extensive aid from the Ford Motor Co.) are building the world's largest truck factory. When he got there the Young Communist League told him there was no work. He apparently had lots of company because he soon learned that "about 200 people come and go like this every day!"

The editor of the paper did not question this, but instead added a horror story of his own. He told how eight young Ukrainian women spent their life savings travelling to Yakutsk in northern Siberia looking for work. They didn't find any and barely scrounged enough through odd jobs to return home. But the biggest horror was the editor's comment on both these incidents. "Who is responsible for this confusion?" he asked. "I think the principal culprit is the thoughtlessness of those who come unbidden."

The restoration of capitalism has also meant a loss in vital social services for the workers, as these are increasingly monopolized by the bourgeoisie. In Lithuania it is reported that saunas serving as exclusive clubs for the high Party and state officials have been constructed at public expense.¹⁴ Health care facilities are being built mainly for the privileged, while local clinics receive inadequate funding. In the Ukrainian town of Terebovlia, 4,000 young people between the ages of 16 and 28 are served by the following recreational facilities: one movie theatre, a "House of Culture" and a library that closes at 7:30 p.m. But, as 50 youths declared in a letter to *Pravda*, the House of Culture used to be open every evening with parties, amateur theatrical productions, lectures, music and games. Today it is used only rarely for major "cultural" events, like the visit of a leading ballet troupe or symphony.¹⁵

3) Once Again a "Prison House of Nations"

Lenin called tsarist Russia "the prison house of nations." A crucial part of the revolutionary struggle there was the liberation of nations formerly oppressed by Great Russia and the fight for full equality between all nationalities. With the overthrow of the tsar, the capitalists and landlords, the Soviet Union was founded as a multinational state based on the voluntary union of peoples, guaranteeing the right of self-determination to all formerly oppressed nations. Under socialism, great strides were made toward eliminating all national inequality—though some

mistakes in national policy were made. This stood as a powerful example that only with the rule of the working class could national oppression be uprooted, and the Soviet Union was a great assistance and inspiration to the hundreds of millions of nationally oppressed people in the colonies, and the working class and oppressed people everywhere, in the fight for national liberation and socialism.

But under the rule of the new tsars and the restoration of capitalism, this great progress has been reversed. Increasing attacks on the rights of minority nationalities in the Soviet Union have called forth powerful protests and resistance from among these peoples and from the Soviet people in general.

Initially, the policy of the revisionists headed by Khrushchev on the national question included the encouragement of bourgeois nationalism of the oppressed nations as part of the process of unleashing all possible bourgeois forces in Soviet society. Throughout the 1953-57 period, Khrushchev played upon and encouraged national divisions in order to more readily divide the Soviet people and communists. (Even during this period, however, Khrushchev did not hesitate to resort to policies of Russification when such suited his needs, as in Kazakhstan.)

But by 1958 Khrushchev abandoned his former policy—probably because it could no longer yield much in the way of tactical advantage in his personal power struggle with other revisionists. Thus, references to the "coming together" (*sblizhenie*) and even "merging" (*slianie*) of nations became the order of the day. From 1958 to the present, the Soviet leadership has followed a consistent policy of "national rapprochement", a policy of forcible assimilation and Great Russian chauvinism in the form of Russification of the oppressed nations.

This policy was first expressed in its full and complete form in the official Program of CPSU adopted at the 22nd Party Congress in 1961. Advocating an "increasingly closer rapprochement of nationalities", the program stated that:

*"The boundaries between the union republics within the USSR are increasingly losing their former significance... Full-scale Communist construction signifies a new stage in the development of national relations in the USSR in which the nations will draw still closer together and their complete unity will be achieved."*¹⁶

This position remains the official social-imperialist view. According to Brezhnev:

*"...the Party regards as impermissible any attempt whatsoever to hold back the process of the drawing together of nations, to obstruct it on any pretext, or artificially to reinforce national isolation."*¹⁷

In 1973 the Party journal *Kommunist* declared that the Soviet Union is entering "the stage of achieving complete unification" of nationalities. The same article pointed out that there are now

"possibilities to conceive more specifically the process of rapprochement, even integration among all nationalities." According to the social-imperialists, "a single socialist nation is taking shape" in the Soviet Union.¹⁸

That such views are merely a cover for the forcible Russification of Soviet minority groups can be clearly seen when the revisionist position is contrasted to the position held by genuine Marxist-Leninists. As summarized in a recent issue of *Peking Review*:

"Viewed from the long-term historical development, the integration of nations and extinction of nations conform to the law of historical development. But Marxist-Leninists maintain that the elimination of classes will come first, followed by the elimination of the state and finally that of nations. Lenin pointed out that mankind can arrive at the inevitable integration of nations only through a transition period of the complete emancipation of all oppressed nations." Referring to Lenin's attitude towards the problem of nationalities the great Marxist-Leninist Stalin pointed out that 'Lenin never said that the national differences must disappear and that national languages must merge into one common language within the borders of a single state before the victory of socialism on a world scale. On the contrary, Lenin said something that was the very opposite of this, namely, that 'national and state differences among peoples and countries... will continue to exist for a very, very long time even after the dictatorship of the proletariat has been established on a world scale.'" (emphasis in the original)¹⁹

In fact, Stalin stressed that the victory of socialism "creates favorable conditions for the renaissance and flourishing of the nations that were formerly oppressed by tsarist imperialism."²⁰

In the Soviet Union today, only the worst sort of national chauvinist could think that the conditions for a "coming together" or "integration" of nations exist. These did not even exist yet under socialism, where the historic advantages which the Great Russian nation enjoyed were not fully eliminated. (Though great progress was made toward real and concrete national equality.) Now that the Soviet Union is no longer a socialist country—and by no means is it in the stage of "full-scale communist construction"—the advocacy of "national rapprochement" can only mean advocacy of national inequality and national privilege, of Russification and national oppression.

In fact, all the lying propaganda about the "construction of Communism" in the Soviet Union is aimed not only at covering up the actual capitalist nature of society but is also an attempt to promote narrow self-interest, in particular national chauvinism, among the people of the Soviet Union, especially the Great Russians. It says: we are going forward to the final goal of Communism (which is presented as basically a higher standard of living achieved through greater production), and anything we do to get there, even if

it means oppressing and plundering nations inside and outside our borders, is a necessary and justified part of this process. Of course, the restoration of capitalism-imperialism in the Soviet Union—under the cover of "constructing Communism"—has brought increased suffering, not a better life, (and certainly not the advent of communism!) for the Soviet people as a whole, and especially the oppressed nationalities.

Before turning to some concrete examples of national oppression in the Soviet Union today, it will be useful to spend some time surveying the work of several leading Soviet ideologues on this question. Social-imperialist spokesmen have gone to great lengths to distort and deny Marxism-Leninism in order to cover up the chauvinist essence of their national policy.

One important forum where national policy was fully discussed was in a symposium sponsored by the authoritative journal *Voprosy Istorii* (Question of History), in 1966-1967 under the title "Discussion of the Concept: The Nation." According to a U.S. bourgeois scholar who studied the various papers coming out of this symposium, it:

*"represents the most serious attempt undertaken since the adoption of the Party Program to lay respectable theoretical foundations for rapid 'internationalization': although the series has been presented as a disinterested search for truth through a comradely and scholarly exchange of ideas, several considerations suggest that it may well have been a politically-inspired move supported by those elements in the elite who fear non-Russian nationalism and favor a faster assimilation of the national minorities."*²¹

Two trends appeared in this symposium. The dominant trend came out for the rapid merging of nations and revision of the definition of a nation in order to facilitate such a merging. The minority tendency, while defending the Marxist-Leninist position to some degree, did so from the opportunist stance of fighting a rear-guard action in defense of bourgeois nationalism of the oppressed nations. This is clear from the attacks made by this trend on the mainly correct nationalities policy followed by the Soviet Union under Stalin. The tendency of this group was to postpone multinational unity so far into the future as to make this a completely abstract and idealistic concept.

However, the dominant, "assimilationist" trend was really most important here, for the ideas put forward by representatives of this line are by and large those held to by the social-imperialist leadership. The main spokesmen for this position in *Voprosy Istorii* were the academicians Pavel Rogachev and Matvei Sverdlin (a Russian and a Jew), Pavel Semionov (a Russian), Suren Kaltakhchian (an Armenian) and Nikolai Ananchenko (a Ukrainian).

Ideologically, this group seeks to redefine the nation in almost purely economic terms. According to these revisionists, this makes the nation a form specific to the capitalist epoch in the most

narrow sense. Thus, with the coming of socialism no material basis should exist to prevent the "coming together" and "merging" of nations. (True Marxist-Leninists, of course, also see the nation as an essentially bourgeois category—that is, as a function of capitalism and the transition from capitalism to full communism—but recognize its roots in pre-capitalist forms and its continued life long after the overthrow of capitalism.)

The line of these Soviet revisionists is essentially the same as the position Lenin attacked (especially around the time of WW I) as "imperialist economism." Lenin pointed out that such opportunism took the stand that "Since socialism creates the economic basis for the abolition of national oppression in the political sphere, *therefore* our author refuses to formulate our *political tasks* in this sphere! That's ridiculous!" (emphasis in original)²² Like their opportunist forerunners, these present-day Soviet revisionists refuse to recognize that socialism means the *development* of formerly oppressed nationalities, which unites these nationalities more firmly in the course of building socialism.

As noted earlier, Lenin repeatedly emphasized that the eventual achievement of communism will mean the abolition of nations but this does not mean that the objective of the socialist transition period is to eliminate nations, any more than the fact that communism will also mean the abolition of classes and the state argues for the elimination of the rule of the proletariat, its state dictatorship, during socialism. On the contrary, in the socialist period the proletarian state must be strengthened, just as the rights and development of all nationalities must be upheld, so that distinctions between classes and nations can finally be overcome and these categories finally disappear. But unlike the opportunists of Lenin's time, their descendants in the Soviet Union today dredge up old opportunism to serve the interests of revisionism, in power, of the new social-imperialist bourgeoisie.

Such apologists for social-imperialism, Sverdlin and Rogachev, for example, take the revisionist position that "it is necessary . . . to focus upon the fact that processes of merging must occur sooner within the USSR than in the world as a whole."²³ And as early as 1961 Semionov declared that " . . . the mutual assimilation of nations in essence denationalizes national-territorial autonomous units and even union republics, bringing Soviet society even from this standpoint closer to the point at which the full state-legal merging of nations will become a matter of the foreseeable future."²⁴

To justify this chauvinist policy the authors repudiate the Marxist-Leninist definition of a nation, formulated by Stalin in 1913: "A nation is an historically evolved, stable community of people, formed on the basis of a common language, territory, economic life, and psychological make-up manifested in a common culture."²⁵ And since, as we shall see, there are some similarities—though not complete identity—between the national

question in the USSR and in the U.S. today, it will be helpful to briefly explore this question of the definition and development of nations as applied to the two superpowers.

To some forces in the U.S. revolutionary movement, it may seem strange for the RU to attack the Soviet revisionists for negating Stalin's criteria for a nation, since we have made considerable analysis, and engaged in lengthy polemics (for example, in *Red Papers* 5 and 6) to show that the Black nation in the U.S. today does not strictly conform to Stalin's definition. But our analysis, and the class stand on which it is based, is the direct opposite of that of the Soviet revisionist "theoreticians" on the national question.

Their purpose is to liquidate the national question, in the service of the imperialist policy of forcible assimilation of nations. Ours is to uphold revolutionary national struggle by making a concrete analysis of the actual character and material basis of the Black liberation struggle today and to refute the revisionists, Trotskyites and other reactionaries in the U.S. who argue that there is no longer—or has never been—a basis for a revolutionary Black liberation struggle.

The essence of our position is that Black people were formed into a nation, as Stalin defines it, in the period after the Civil War and Reconstruction. And, although that nation has been dispersed from its historic homeland, and transformed from mainly peasants to mainly workers, the struggle of Black people against imperialism has not therefore been liquidated, but made even more powerful, and more closely linked with the overall class struggle for socialism. Further, although the Black nation exists today under new and different conditions than in the past—and than nations in most other parts of the world, especially the Third World—and although the question of liberating and controlling the "Black Belt" south is not at the heart and the highest expression of the Black people's struggle, the right of self-determination, the right to political secession, must still be upheld. The policy of forcible assimilation must be defeated to unite the multinational proletariat in the U.S. for the historic task of socialist revolution.

In making this analysis, we have been guided by the stand, viewpoint and method of Marxism-Leninism, including the writings of Stalin, who pointed out that "nations and national languages possess an extraordinary stability and tremendous resistance to the policy of assimilation" even under the conditions where they have been "rent and mangled" by reactionary rule.²⁶ Stalin, on the other hand, emphasized that in an overall sense the national question is subordinate to the question of proletarian revolution, and that "the national question does not always have one and the same character, that the character and tasks of the national movement vary with the different periods in the development of the revolution."²⁷

The opportunists—those who cloak their bourgeois lines in the guise of Marxism—

Leninism—depart from this proletarian stand, viewpoint and method. In some cases this takes the form of dogmatism, viewing the national question as “something self-contained and constant, whose direction and character remain basically unchanged throughout the course of history.”²⁸ (Stalin) In other cases, it takes the form of revisionism—openly denying the basic principles of Marxism-Leninism and cutting the revolutionary heart out of it. In either case, in the national question it leads to a line of liquidation and to unity with imperialist oppression of nations.

The revisionists themselves have used dogmatism as well as open revisionism to attack the Marxist-Leninist solution to the national question. Henry Winston, chairman of the “Communist Party”, U.S.A., has, for example, accused the Chinese Communist Party of great nation (Han) chauvinism, of violating the Leninist principle of self-determination, because the solution to the national question in China itself was not the same as in the USSR. In China it did not take the form of establishing separate republics, but only autonomous regions and areas for the minority nationalities. At the same time, the “CP”, U.S.A. argues that Black people are no longer a nation, and that there is no basis for a revolutionary Black liberation struggle, while their social-imperialist patrons in the Soviet Union argue that Stalin’s definition of a nation, and the whole Marxist-Leninist approach to the national question, is and always has been incorrect.

The purpose of these Soviet revisionists is to undermine the unity of the non-Russian nations in the Soviet Union, as well as other nations outside its borders, which are oppressed by and resist the new tsars. To do this they especially minimize the psychological and cultural (or ethnic) factors of a nation. Sverdlin and Rogachev, for example, reject the concepts of “national character” and common psychological makeup, one of the criteria outlined by Stalin. These revisionists recognize only “consciousness of national belonging”, by which they mean little more than simple recognition of one’s “ethnicity”, as in filling out a census form. They deny one of the key forms in which the common bonds of a nation are forged.

Along similar lines, Kaltakhchian offers the following definition: “A nation is a social-historical phenomenon, it evolved into a stable community of people in the capitalist stage of social development. The main characteristic features of a nation are community of territory, language and economic ties of people.”²⁹ In this joker’s view, Stalin failed to see that “... to assert the stability of community or psychological makeup of the people of a given nation, and consequently of exploiter and exploited in an antagonistic society, means to view the nation as a naturalistic and eternal, not social-historical community.”³⁰

This, of course, is rubbish. Marxists have always recognized that within any nation there is class struggle and Lenin even spoke of “two na-

tions” co-existing within all modern nations. Stalin, too, recognized this fact even as he asserted the existence of distinctly national psychology and culture. In *Marxism and the National Question*, he declares that “one cannot seriously speak of the ‘cultural community’ of a nation when the masters and the workers of a nation have ceased to understand each other.”³¹ But this has absolutely nothing in common with our revisionists’ essentially economist and mechanical materialist (and thus idealist) approach.

The position of Marxist-Leninists is that in the final analysis, psychology and culture are determined by class struggles. Real differences must always exist between the psychology and culture of the bourgeoisie and of the proletariat in any given nation. But Marxist-Leninists assert that development never takes the same form everywhere. In the real world—which after all is what it is all about—capitalist production relations and the class struggle between the bourgeoisie and the proletariat develop within particular national contexts and these different national contexts have an effect on *both* classes, on their psychology and culture.

For example, in China a great struggle is today being waged by the Chinese proletariat against the reactionary ideas of Confucius. The idealist world outlook of the bourgeoisie and the materialist world outlook of the proletariat stand in sharp contrast to each other on this question. The counter-revolutionary line of the bourgeoisie is to defend Confucius, while the revolutionary proletariat seeks to destroy all vestiges of Confucian thought.

In form, this is a struggle particular to China; yet its content is universal. All over the globe the bourgeoisie and the proletariat square off each day on opposite sides of innumerable questions of this type. In each country there is a proletarian revolutionary stand and a bourgeois reactionary stand on every question of national culture. But it is because the Chinese people of all classes do share a “common psychology manifested in a common culture” that the particular question of Confucius—and not Plato, Jesus, Allah, etc.—takes center stage. This commonality provides, so to speak, a common frame of reference, an arena within which the bourgeoisie and the proletariat must inevitably stand opposed.

This is what Marx and Engels meant when they stated in the *Communist Manifesto* that “Though not in substance, yet in form the struggle of the proletariat with the bourgeoisie is at first a national struggle. The proletariat of each country must, of course, first of all settle matters with its own bourgeoisie.”³² The class struggle under capitalism thus exhibits a national as well as an international character and, yes, “a common psychological makeup manifested in a common culture” does develop within each nation. Of course, as capitalism expands it does have a strong tendency to break down national barriers and eliminate these psychological and cultural differences. But even this process is uneven and

conditioned in turn by national peculiarities and distinctions, including those of national psychology and culture.

To hold otherwise is, in fact, to hold to a Trotskyite position, a position that the class struggle is only international and everywhere at the same stage of development. Such a position is based upon the idealist separation of politics from economics. Yet, in essence, this is really the position of our Soviet authors which, parenthetically, reveals once more that the essence of Trotskyism, despite its generally "left" cover, is accommodation to revisionism, on the national question as on other questions.

The social-imperialist "theoreticians" attempt to deny any basis for the continued existence of the nation once capitalism is gone. By denying the psychological and cultural particularities of different nations the revisionists seek to liquidate the national question, encourage premature assimilation and return to the oppression which minority nationalities suffered under the tsars.

In fact, in this regard two authors, Sverdlin and Rogachev, even go so far as to claim that under the tsars ties of friendship between the different nations were "very strong"! They assert that with the overthrow of capitalism, socialist economic development has spontaneously joined all Soviet citizens into one "Soviet people", a new ethnic group comprising all Soviet nationalities—a transitional form between national disunity and "national-less" (*beznatsionalnoe*) society.

This concept is a common one among Soviet propagandists and apologists and it has been embraced officially by the social-imperialist leadership. In his address to the 24th Congress of the CPSU in 1971, Brezhnev declared that "In the years of socialist construction a new historical community of people—the Soviet people—arose in our country."³³ To cover his tracks Brezhnev stressed that this "does not mean elimination of the differences among various nationalities and disregard of national characteristics, language and culture." But despite such hemming and hawing it is clear that the new concept is precisely designed as a means of liquidating the competing concept of the nation. For example, the journal *Soviet Ethnology* says: "The concept of nation and tribes ... will increasingly give way to the concept of the Soviet people."³⁴

Kaltakhchian's definition (quoted above) leads him to even more absurd and chauvinist conclusions. He even accuses Sverdlin and Rogachev of underestimating the "real community of national culture and national character in the Soviet Union."³⁵ (Never mind, of course, that Kaltakhchian has already criticized Stalin for employing just such supposedly incorrect terms as "national culture.") He argues that "with the disappearance of social antagonisms, national antagonisms also disappeared in the U.S.S.R." Social antagonisms—class antagonisms—have, of course, not disappeared in the Soviet Union, but once more exist within the framework of bourgeois rule and capitalist society. And, along

with this, contradictions between nationalities—which exist all during socialism—have once more become antagonistic, under the conditions of imperialist rule.

We have spent so much time on these petty hack ideologues not only to illustrate the depths to which the social-imperialists have sunk in their "theoretical" endeavors. It is important to recognize that the revival of national oppression has not come about simply because the current rulers are mainly Russian or because they are evil men (though they are both). Rather, this stems directly from the political line adopted by the revisionists in 1956. A crucial part of this was Khrushchev's attack on Stalin—which provides the basis for the attack on Stalin's great contributions on the national question and for the abandonment of the proletarian dictatorship by the CPSU.

The concrete results of this chauvinist line have been very evident. Seeking to hasten the "merging" of nations, the social-imperialists have dispersed members of the national minorities and oppressed nations throughout the Soviet state. According to the 1970 Soviet census, over 390,000 Moldavians, 14.6% of the Moldavian people, were moved out of the Moldavian Republic in the preceding decade. Over five million Ukrainians, 13.4% of the Ukrainian population, were moved out of the Ukrainian Republic.³⁶

Indeed, this kind of policy has led to stagnation in population growth and even the outright elimination of some of the smaller nationalities.

Theoretical Problems of the Formation and Development of the Multi-National Soviet State, a book published in the Soviet Union in 1973, states that "With each new census, the number of nationalities covered by statistics constantly declines." Thus, between the 1959 and 1970 censuses, the number of nationalities dropped from 126 to 119. Moreover, in these years the Karelian population decreased by 21,000 (about 13%), the Veps by 8,800 (about 51%), and the Mordvinians by 22,000. Those nations whose population remained completely stagnant included the Latvians, Evenkis, Khentys, Aleuts and Udegeitsys.³⁷

Along with forced emigration of minority nationalities, the social-imperialists have carried out Russification through the large-scale immigration of Russians and other Slav peoples into minority areas. This has led to increasing discrimination in employment. To cite just two examples: In 1972 a letter signed by 17 Latvian communists, most Party veterans of 25-35 years, was sent to the Central Committee of the CPSU protesting the removal of nearly all native Latvian officials from their posts in that small nation. The letter also condemned the continued immigration of droves of ethnic Russians who were placed in jobs ahead of Latvians. These latter often remained unemployed or under-employed.

Also in 1972 the Ukrainian Party member Ivan Dziuba published a scathing indictment of "Russification" in that nation, entitled *Internationalism or Russification?* In this work, Dziuba

presents the following example of the social-imperialists' national policy at work:

*"Let us take as an example one of the great Ukrainian construction projects, the building of the Kiev Hydro-electric power station ... At the end of 1963, when the number of workers on the project almost reached its maximum, the labor force was made up of 70-75% Ukrainians, 2% Byelorussians, 20% Russians and smaller numbers of several other nationalities ... The power station seems to have been built mainly by Ukrainians. And yet almost all the top posts on the job (construction chief, chief engineer, most sectional and divisional managers) were occupied by Russians. They also constitute the majority among the rank and file engineers and technicians. Among the Russian workers a much higher percentage are highly skilled than among the Ukrainians. Many of the latter were dismissed when the construction was nearing completion. Of the 127 Russian members of the management division of the main installations, only 11 were born in the Ukraine, the rest came from Russia."*³⁸

The immigration of ethnic Russians into minority areas has increased as the Soviet leadership relies more and more on the use of "experts" to stimulate the economy. As these are mainly Russian, this strategy for development is predicated on the perpetuation of national privileges. Were the policy of the Soviet Union the correct socialist policy of striving to eliminate the distinction between "expert" and "worker" the problem would not loom so large—although it would still be essential to train technicians from the ranks of the minority peoples.

But this is hardly the case. Thus, in some minority areas the local leaders—prevented from relying on their own resources by the Party's thorough-going capitalist line—have opted to forego any economic development rather than face an influx of alien technicians and skilled workers. In the Adzharskaia Autonomous Republic of Georgia, it was reported in the press that "there were executives who urged the Adzhan Party organization to reject proposals ... to build new factories and plants and to develop resorts and tourism, basing their advice on the premise that this would lead to migration of people from other republics."³⁹

Of course, this is only a problem in those regions singled out by the social-imperialists for further economic development. The Soviet leadership's preoccupation with capitalist economic "efficiency" and "intensive" rather than "extensive" development has led to concentration of investment in the already developed "European core area" of the economy. This, despite the fact that population growth is currently most rapid in the relatively underdeveloped areas of Central Asia and Azerbaidzhan, and that these regions now suffer from a growing labor surplus exacerbated by further immigration from ethnic Russia and the Ukraine. (One estimate envisions the population of these regions doubling

within 30 years. Moreover, according to the 1970 census, between 52 and 56% of the population of the four Central Asian republics and Azerbaidzhan were under 20 years of age compared to only 29 to 38% in the major western regions.)⁴⁰

Under socialism the factors of investment efficiency, strategic and foreign policy considerations and regional equalization were all taken into account by the plan, and within the overall economic advance of the Soviet Union disproportionately high growth indexes were registered for those national republics initially most backward. This was achieved mainly through mobilizing and training of the native population. However, as one scholar has pointed out, "the tendency toward equalization of regional levels of development observable before World War II and on through the mid 1950s appears to have reversed since 1958."⁴¹

Another area in which the social-imperialists' chauvinist policy contrasts sharply with the policy of the communists under Stalin is in the field of education. Under socialism Soviet children were taught the traditions and true history of the oppressed peoples, but today they are spoon-fed a Russified series of lies and distortions passed off as proletarian history and designed to deny to the minority peoples their cultural heritage. This was suggested by the Soviet publication *Statistical Review*, which in 1972 declared that "the people of different nationalities and tribes in their millions regard Russian culture as their own."⁴²

One particular example has been the treatment of the history of the Kazakh people. We have only to compare the 1943 edition of the official *History of the Kazakh SSR* with the same work's 1957 version to see how much things have changed. The 1943 edition treats the annexation of Kazakhstan by the Russian tsar as follows:

*"The conversion of Kazakhstan into a colony signified the end of the independent existence of the Kazakh people and their inclusion in the system of military-feudal exploitation, which was created by the domination of Tsarism for all the exploited peoples of the tsarist 'prison of peoples.'"*⁴³

But the 1957 edition reads:

*"The annexation of Kazakhstan to Russia ... had a progressive significance for the historic destiny of the Kazakh people appearing at a crisis hour in their history ... (It) delivered the Kazakh people from enslavement by Dzhungarian feudal leaders ... The most important result of the annexation was the drawing together of the Russian and Kazakh peoples in a common struggle against Tsarism with Russian landlords and capitalists and the Kazakh feudal leaders."*⁴⁴

Even more shocking is the contrast in treatment of the Kenesary movement, a revolutionary nationalist uprising of the Kazakhs against tsarist

rule which lasted from 1837 to 1847. According to the 1943 version:

*"During that decade the majority of the population of the three Kazakh hordes rose under their leader, Kenesary Kasymov, for a liberation struggle against Russian colonizers and their agents, the Sultan's rulers. In its scope and significance, this was the most substantial uprising of the Kazakh people in the whole period of the colonizing policy of Russian Tsarism. In this uprising, which appeared as the sum and synthesis of all the previous movements, the Kazakh people demonstrated with particular force and clarity, through their freedom-loving and militant spirit, that they would not easily give up their national independence."*⁴⁵

But now look at how this very same glorious revolt is slandered by the revisionists in their 1957 history. According to this new, up-dated and revised Great Russian chauvinist history, the Kenesary movement "was a reactionary, feudal-monarchal manifestation, aimed at holding the Kazakh people back and strengthening the patriarchal-feudal system, working toward the alienation of Kazakhstan from Russia and the Russian people."⁴⁶ Need we say more?!

Of course, with respect to education the rewriting of history is really a minor part of the social-imperialists' policy of national oppression. A more important point has been the declining status of minority language education, which is part and parcel of the social-imperialists' plan to institute Russian as the sole language for the Soviet Union. This goes directly against the stated policy of Lenin, who time after time declared that "There must be no compulsory official language." Today Brezhnev and his cronies have stipulated that "every citizen (of the non-Russian nationalities) should master this language (Russian)."⁴⁷ By robbing the oppressed nationalities of their own languages, the social-imperialists hope to hasten the disappearance of these peoples. As one Soviet text declares, "Groups of people who have changed their language, in the course of time usually also change their ethnic (national) identity."⁴⁸

Before the revolution virtually all education was in the Russian language. This held back the cultural, social and economic development of the non-Russian speaking nationalities. In the 1920s and 30s, Soviet power moved to correct the situation and "a vast network of native language schools" was set up. Further, Soviet scholars spent many years of painstaking effort constructing completely new written languages for those nationalities still limited to oral dialect. At the end of the 1930s and the beginning of the 40s, the system was broadened even further.

However, according to Florida State University professor Brian D. Silver, "Despite the continued lack of systematic enrollment figures, highly reliable and convincing data have now accumulated indicating that enrollment in non-Russian schools has after all significantly declined during the

1960s, not only during Khrushchev's term as First Secretary but also during the leadership of Brezhnev-Kosygin."⁴⁹ This decline is a direct result of Khrushchev's education "reform" of 1959. This law gave parents the *formal* right to choose the language they preferred for their children's schooling, a move which most observers saw directed at exposing parents to coercion by local Russifying officials, a view borne out thoroughly by the results.

In 1958, even before the reform was officially promulgated, the Karelians were deprived of all native-language schooling. The Kabardians and Balkars met the same fate in 1965/66. The Kalmyks had native-language schooling decreased from four to three years in 1962/63 and by 1968 the whole program had been eliminated. In the Volga region nearly all non-Russian groups experienced a reduction to at least primary level native-language education by the end of the 60s. These are but a few examples.

The aim of these changes has clearly been to speed up the Russification of the oppressed nationalities. According to one Soviet educator, "The conversion of elementary school children to Russian as the language of instruction is an important phenomenon in the sphere of education... (which has) enormous progressive significance."⁵⁰

Now, the aim of communists has always been to develop cooperation and unity among the working people of all nationalities through increased communications and exchange on the basis of equality and mutual respect. That Russian would be the logical language for such inter-nationality exchange in the Soviet Union is not particularly shocking, though we should note that the Russians themselves now number just a little more than half the Soviet population. But to work for the rapid replacement of native languages as part of a general policy of hastening the "coming together" and future "merging" of nations certainly amounts to great nation chauvinism.

Yet in 1956, the very year of Khrushchev's triumph, "In autonomous republics, provinces, and national *okrugs*, the transaction of correspondence and business in local languages in state institutions and organizations was abandoned and transferred to the Russian language."⁵¹ We think this represents something more than mere coincidence.

We could, of course, continue to relate hundreds, even thousands of examples of national oppression stemming from the restoration of capitalism in the Soviet Union. But this would, after a time, become redundant. Indeed, the most compelling evidence pointing to a revival of national oppression has been the growing movements of the oppressed peoples themselves, which have erupted at times into violent revolt. We shall deal with this aspect in our next chapter.

But one more story must be told in this sec-

tion. We present the following example, the story of how the Kazakh people were deprived of nearly half their homeland during Khrushchev's harebrained "virgin lands" campaign, because we believe it epitomizes the callous disregard for national rights shown by the current Soviet rulers. And, equally important, we relate this tale because one of its leading characters—its villain—is none other than Leonid Brezhnev himself.

The story begins at the September 1953 Central Committee plenum, six months after Stalin's death. This was when Khrushchev first proposed his sensational virgin lands scheme. This was a bold, overly ambitious and poorly planned proposal to plow and sow with grain 13,000,000 hectares—more than 50,000 square miles, an area larger than Louisiana and equal to England—of previously barren land in Kazakhstan and southwest Siberia. Although the extension of arable land was hardly a novel idea and completely sensible, the scope of Khrushchev's plans was bound to put too great a burden on Soviet resources. As one historian has noted, "The scheme was full of imponderables and fraught with incalculable risks."⁵²

No one recognized this more than Zhumabai Shayakhmetov, first secretary of the Kazakhstan Communist Party, who had held office for eight years and was the first native Kazakh to occupy such a high position. Shayakhmetov and other Kazakh leaders argued that the scheme was too drastic. Although they were eager to develop the resources of Kazakhstan for the benefit of all Soviet citizens, they recognized that the ambitious proposal laid out by Khrushchev would bring only misery to the native Kazakh population.

To undertake the plan hundreds of thousands of Russians would be needed to occupy and farm the land. The Kazakhs, herders by tradition, would be driven off the grasslands at such a rapid rate that few would be able to retrain as farmers. The Kazakh language and culture would be threatened, as would all vestiges of constitutionally assured Kazakh autonomy.

Khrushchev, however, refused to take no for an answer. While pulling political strings designed to undermine Shayakhmetov's authority in Kazakhstan, he shopped around for a compliant replacement. He found one in Brezhnev, then chief political commissar of the Soviet navy. There was, however, a hitch. At this time Khrushchev had not consolidated full power and other Party leaders, notably Malenkov, then Khrushchev's chief rival, demanded their own watchdog. So Brezhnev was not at first put formally in charge. His nominal superior—though everyone agreed that Brezhnev would really run the show—was Panteleimon Ponomarenko, a former associate of Zhdanov. This situation lasted until Malenkov's forced "resignation" as Premier, when Ponomarenko was abruptly shipped off to Warsaw as Soviet ambassador to Poland, leaving Brezhnev in complete command of Kazakh affairs.

On January 30, 1954, Shayakhmetov and members of the Kazakh polit-bureau were summoned to Moscow to meet with Khrushchev, Brezhnev, Ponomarenko and the Central Committee Secretariat. Shayakhmetov and an assistant, Ivan Afonov, were dismissed from office. A week later Brezhnev and Ponomarenko arrived at Alma Ata, capital of Kazakhstan, where a plenum of the Kazakh Party Central Committee "elected" them to replace the two deposed leaders.

Shortly thereafter, the seventh Congress of the Kazakh Communist Party was convened. Shayakhmetov was accused of embodying "bureaucratic, paper methods of leadership" and exiled to the position of *oblast* (district) secretary in South Kazakhstan (an area not part of the virgin lands scheme). In June 1955, Brezhnev personally arranged for his removal from that post, too.

With this resistance out of the way, Brezhnev proceeded to carry out Khrushchev's orders. By 1956 half a million Russian, Ukrainian and other settlers had arrived in Kazakhstan. Over 500 new state farms were established. By 1959 the Kazakhs numbered less than 30% of the population of their native homeland. The European population of Kazakhstan exceeded the entire European population of Africa.

The scale of the virgin lands adventure was awesome indeed. Initial plans called for bringing in 5,000 combines and harvesters, 10,000 trucks, 6,000 cultivators, 3,000 harrowers and over 50,000 tractors. Over 1,200 miles of railroad were to be laid. Yet with such grandiose plans it was, perhaps, inevitable that difficulties would arise.

Equipment arrived but the train stations had no machines to unload heavy tractors. Young *komsomoly* would come eager to work but there were no training programs. Trucks arrived but there was no fuel. During the first harvest countless tons of grain were lost because there were no sacks to put it in. As for housing, promised to the new settlers (but not to the native Kazakhs, of course), it simply never appeared. After the first harvest 75% of the immigrants faced a winter in temporary tents.

In short, "for hundreds of thousands of volunteers the reality of Kazakhstan was the rotting grain because someone had failed to provide trucks or storage facilities; the broken drive shafts on their harvesters for which there were no replacement parts; the cold nights in the tent or dugout; the lack of soap and water; the shortage of mittens and warm boots or the letters from home that never reached them because no one bothered to deliver the mail."⁵³

Yet despite this situation, the plan was deemed a success on the basis of a good harvest in 1954. This proved to be quite a feather in Brezhnev's cap and he quickly returned to Moscow with a promotion. Never mind the virtual pillage of the Kazakh homeland. Never mind that the massive shipment of equipment and manpower to the east completely disrupted and almost ruined

agriculture in the traditional Ukrainian and south Russian granaries. And never mind that after 1954, Kazakhstan has suffered far more than its share of bad harvests due to frequent drought, poor planning and a demoralized work force.

The robbery of the Kazakh people continues to this day. Currently, Russians, Ukrainians, etc., continue to move into the agricultural region opened up by the virgin lands campaign. However, few remain here. Soviet studies have shown that the typical immigrant stays in the countryside for just two or three years and then moves into already overpopulated urban and industrial areas of the Kazakh republic.⁵⁴ As a result, agriculture has stagnated in recent years while Kazakhstan's young cities are flooded with job seekers.

And, of course, it should come as no surprise that most good jobs go to those immigrants who, in theory, were "sent" to populate the countryside. Meanwhile, the native Kazakhs, already driven off their grazing land, stagnate in the cities where they increasingly comprise an exploited, underemployed—even unemployed—minority.

4. Working Women Bear a "Double Burden"

Social-imperialist rule has also brought back the oppression and degradation of women in capitalistic society. Under socialism the idea of equality between men and women was propagated widely and women were brought into production at all levels. Women made great gains, and even today the majority of Soviet doctors and a large proportion of other professionals are women. In industry women still number about half the work force.

But now, since the social-imperialists are incapable of developing the economy so that all might work productively, they are making a big noise about how "unfeminine" Soviet women have become. This is designed to put Soviet women back in the home shackled by all those backward customs and ideas that capitalism needs to survive. The revisionist "poet", Ilya Selvinsky, wrote recently of how women should learn to walk more gracefully: "Unfortunately, not all our girls pay attention to the way they walk," he complained, adding that "... we need a cult of feminine charms. It should develop not only in art but also in the family. It is necessary, I repeat, to 'idealize' women."⁵⁵

Soviet women, of course, have no need for the "pedestal" on which hacks like this would place them. And the average Soviet woman not only has no interest, but also no time to think about walking "more gracefully" for a dirty old man like Selvinsky. She is too busy slaving away, at home and on the job!

According to the Soviet woman sociologist, Zoya A. Yankova, women in the Soviet Union today spend more time on household chores than ever before.⁵⁶ This has been one factor leading to a rise in complaints about inadequate child care facilities. In fact, according to the July 17, 1971

Pravda, in the last ten years not one Soviet province built as many day care centers as planned! In light industry alone there is currently a waiting list for day care of over 150,000 mothers.⁵⁷

The chores of housework are particularly burdensome to women workers. According to a 1969 survey of Leningrad working women, 70% often felt fatigue on the job. Their illness rate was double that of male workers. When asked, "Is it difficult for you to combine family obligations with work on the production line?" 44% answered "bearable", 31% "hard" and 25% answered "very hard." Two Soviet researchers have concluded:

*"that the possibilities for liberating women from the 'double burden' are being realized only in a small degree. As a result of women's entry into production, negative consequences have accompanied the positive ones: worsened physical and psychological condition, lowered general tone of conjugal and family life, restriction of social and cultural contacts."*⁵⁸

One way to alleviate the burden on working women would be to increase production of inexpensive household appliances—combined with the sharing of household duties between men and women. But in spite of their perpetual promises of turning the Soviet Union into a consumer's paradise, the social-imperialists have done little in this direction. Under socialism, of course, no one had much access to such conveniences. The proletarian policy was that until such goods could be produced in enough quantity and at a low enough price to be accessible to the masses, none would be sold. Instead, socialism relied on the development of cooperation and socialized work. Where possible, for example, laundromats were opened. The fight against chauvinist ideas and the sharing of housework by men and women was encouraged.

However, with the present level of the Soviet economy, the capability of producing such labor-saving devices for the mass market now exists. Yet the social-imperialists price these items at or even above their cost of production, effectively limiting their market.

Moreover, the emphasis in production is, as in the U.S., on technical wizardry and not low-cost practicality. Thus, even in the highly industrial cities of Leningrad, Moscow and Penza only 13% of working women own washing machines, 20% own vacuum cleaners and only 38% own refrigerators.⁵⁹ One exasperated Soviet economist summed up the situation when he complained that "We've long since needed not 'technological wonders' but cheap, reliable appliances, not for exhibitions, but for the home, not for engineers and futurologists but for the housewives!"⁶⁰

All this adds up to an attempt by the social-imperialists to drive women from the work force, transforming them into patronized and oppressed housekeepers and "baby makers." Yet despite all

the hardships and pressure placed on them, Soviet women *must* work. As a railroad worker remarked:

*"There are five children in our family. There are plenty of cares. But my wife goes to work. She works because my earnings do not provide for all the needs of our family. No, today work is not yet a spiritual need of women. It is a material necessity."*⁶¹

But even on the job women still encounter discrimination. Even in fields where women form the majority of the work force, few women occupy leading positions of authority. For example, although only 15% of all medical personnel are men, they are 50% of all chief physicians and hospital executives. Likewise in industry, "Women are employed as supervisors, shop chiefs, and in comparable leadership positions one-sixth to one-seventh as frequently as men."⁶²

Women are also concentrated in the most low-paid industries and positions. According to the Soviet authority, A.G. Kharchev, the average wage of women in industry is well below that of men. And as the following table shows, women are by and large concentrated in lower-paying fields:

FEMALE PARTICIPATION AND WAGE SCALES IN SOVIET LABOR FORCE BRANCHES: 1967

Branch	Women as % of total employment	Rubles per month (avg. all workers)
Science & scientific svcs.	45	122.1
Construction	28	119.4
Transportation	24	115.5
Apparatus of govt't. & economic admin. & of coop. & public orgs.	58	112.7
Industry	47	112.0
Nationwide average	50	103.4
Education	72	96.4
Credit & Ins.	75	93.3
Health	85	82.2
Trade	74	82.2
Housing & Municipal Economy	51	78.7
Communications	66	78.1

Reprinted from Lotta Lennon, "Women in the USSR." Source: *Narodnoe Khoziasstvo SSR v 1969 godu*, Moscow, 1970, p. 654.

Similar statistics also indicate that within these fields, women are once again concentrated at the bottom of the wage hierarchy.

This situation is, however, to some extent inherited from the socialist period. At that time, inequalities continued to exist and it was generally recognized that these could only be finally overcome on the basis of increased production and technological progress on the one hand, and the

conscious long-term class struggle against male chauvinist ideology among the masses on the other. And a good deal of progress was made!

However, in recent years—despite the fact that for the first time the technical level facilitating the full absorption of women into heavy industry (where the jobs pay best) has been reached—the situation is actually deteriorating. For example, the average monthly wage in education (72% women) was seven rubles below the national average in 1967. Yet by 1971 this differential had more than doubled to 14.2 rubles.⁶³ Today male bureaucrats who merely sit on their asses all day earn several times the salary of a woman textile worker or collective farmer.

Also of concern to Soviet women has been the severe decline in family stability over the past 20 years. Communists, of course, have always advocated and fought for the full right to divorce. And after every socialist revolution millions of women have taken advantage of this right, freed themselves from old, oppressive relationships and entered society as productive and fulfilled individuals. Millions of marriages have also been strengthened by both partners knowing that union is fully voluntary.

But communists do not advocate the right of divorce out of any commitment to "free love" or opposition to the family. We support the right to divorce in order to strengthen family bonds. For only on the basis of the full right to divorce for both partners can a marriage of equality and mutual respect be built.

Communists stand for a strengthening of the family not as an isolating refuge from society, but as a fully participatory societal unit. In China today, for example, divorce is relatively rare even though the right of divorce is guaranteed both women and men. And where conflicts do arise, all efforts are made to resolve the difficulties. Divorce is considered the last step and, in most cases, represents a kind of failure.

This was also true in the Soviet Union under socialism. But since 1950 the situation has changed drastically.⁶⁴ Today the Soviet Union has one of the highest divorce rates in the world, and this is still rising rapidly. In 1960 there were 270,200 divorces in the Soviet Union. By 1967 the annual figure had risen to 646,300. Put another way, in 1950 for every 100 marriages there were but 3 divorces. In 1960, however, there were 10 divorces for every 100 marriages. By 1967, for every 100 marriages there were 30 divorces, a tenfold increase in just 17 years! Soviet statisticians themselves are quite firm in stressing that improved reporting procedures and somewhat liberalized laws account for only a small portion of this increase.

5) Alcoholism and Crime: The Social-Imperialist Plague

Probably the most prevalent reason given for the increasing instability of the Soviet family has

been what is now by far one of the most serious and widely discussed social problems in the USSR: alcoholism. In our investigation of Soviet society, we have been struck by the incredible depth of this problem under revisionist rule. The spread of alcoholism has become symbolic of all the decay and rot growing everywhere in the Soviet Union today. In fact, we think that a somewhat more detailed look at the development of alcoholism and associated problems will give people a very clear picture of what the rise of social-imperialism has meant in stark human terms for the working people of the Soviet Union.

Heavy drinking is, of course, hardly a new phenomenon in Russia. In pre-revolutionary times the state drew a substantial portion of its revenue—as much as one-third—from its alcohol monopoly and as a result was eager to encourage drinking as both money maker and social pacifier. (The tsarist budget used to be called the "Drunk Budget" due to its dependence on alcohol tax revenue.) In the words of a Soviet journalist:

*"For centuries heavy drinking seemed an indispensable and necessary part of Russian life. The endless grey monotony of peasant life with its constant threat of famine and spine-breaking toil, the dirt and degradation of squalid city slums, the stifling atmosphere of merchants' homes—all this was an appropriate frame for 'vodka', one of the few words from tsarist Russia that became familiar throughout the world."*⁶⁵

This was one of the first problems to be tackled by the Bolsheviks after 1917. And the evidence reveals quite clearly that per capita consumption of alcohol declined steadily between the revolution and 1950. In the pre-revolutionary years 1906-10, per capita consumption of pure alcohol stood at 3.41 liters a year. By 1935-37, this had declined to 2.8 liters. And 1948-50 marked the low point in official production, with a figure of 1.85 liters, a decisive reduction of 50% from pre-revolutionary times.⁶⁸

Many bourgeois observers are quick to point out that these figures cover only legal production and that there is a long tradition of home-brewing. This is true, but it only makes the argument stronger, not weaker. For throughout these years the Soviet Union was becoming increasingly urbanized. Peasants were moving to the cities to fill jobs in the new factories. And city workers were losing touch with relatives in the countryside. (The practice of city workers returning home for harvest, common under tsardom, began to fade out after 1917.) Since moonshining is mainly a rural activity, it stands to reason that consumption of legal alcohol would thus tend to rise both absolutely and on a per capita basis. But instead the opposite occurred.

The main weapon used to defeat alcoholism was revolutionary politics. Enthusiasm for socialism and disciplined dedication to the dif-

ficult but inspiring tasks of socialist construction came to replace the desire of people to escape to an alcoholic fantasy land. Patient education about the dangers of alcoholism was carried out. For example, in the 1920s the All-Union Council of Anti-Alcohol Societies was set up. This body published a journal, *Trezvost' i Kultura* (Temperance and Culture), distributed other scientific and popular literature, and organized anti-alcohol propaganda. State production of vodka was decreased sharply and price policy worked to discourage excess drinking. Moreover, alcoholics themselves were treated as suffering individuals in need of help and not as criminals. Sobering-up stations "provided a bath, a clean bed and hearty breakfast, all gratis."⁶⁷

Today, however, the situation is entirely different. According to reliable estimates, consumption of vodka, wine and beer in the USSR doubled between 1950 and 1960 and increased by another 50% by 1966.⁶⁸ By all accounts it is still increasing at present. Beginning in 1958, the Soviet authorities took note of the growing trend and began to take "corrective measures" but to no avail. The problem has become ever more severe and, according to *Izvestia*, "the harm caused by alcoholism is exceptionally great."⁶⁹

Today, the typical worker's family spends almost as much on alcoholic beverages (93 rubles/year) as it does on movies, theatre, newspapers and all other cultural goods and services.⁷⁰ It is said that over half of all traffic accidents are directly attributable to drink.

Industrial enterprises each year report hundreds of thousands of cases of absenteeism and tardiness due to drinking. In Zhodino, Minsk province, paychecks were issued directly into workers' savings accounts to cut spending on vodka.⁷¹ And on one South Russian railway line complaints of drunken young people on trains became so great that volunteer militia detachments of train crew members had to be formed to protect the passengers.⁷² This reminds us of rides on the subway systems of U.S. cities.

Even from the Soviet press it is clear that the spread of alcoholism is approaching epidemic proportions. Yet the most stringent laws, such as the one passed in 1967 providing two years "compulsory treatment and corrective labor" for excessive drinkers, have had little effect. Why are the Soviet people, especially the workers, turning to drink?

As early as the 1840s, Friedrich Engels in his famous study, *The Condition of the Working Class in England*, noted that the worker drinks primarily to escape from the suffering of his daily existence under capitalism: "...he must have something to make work worth his trouble, to make the prospect of the next day endurable...(He seeks) the certainty of forgetting for an hour or two the wretchedness and burden of life..."⁷³ Other writers have also pointed to oppressive social conditions as a principal cause of alcoholism, including the great Soviet revolutionary writer, Maxim Gorky. (See excerpt in box.)

MAXIM GORKY ON THE CAUSES OF RUSSIAN ALCOHOLISM

"The day was swallowed up by the factory; the machine sucked out of men's muscles as much vigor as it needed. The day was blotted out from life, not a trace of it left. Man made another imperceptible step toward his grave; but he saw close before him the delights of rest, the joys of the odorous tavern and he was satisfied . . . The accumulated exhaustion of years had robbed them of their appetites, and to be able to eat they drank, long and deep, goading on their feeble stomachs with the biting, burning lash of vodka . . . Returning home they quarreled with their wives, and often beat them, unsparing of their fists. The young people sat in the taverns or enjoyed evening parties at one another's houses, played the accordion, sang vulgar songs devoid of beauty, danced, talked ribaldry, and drank. Exhausted with toil, men drank swiftly, and in every heart there awoke and grew an incomprehensible sickly irritation. It demanded an outlet. Clutching tenaciously at every pretext for unloading themselves of this disquieting sensation, they fell on one another for mere trifles, with the ferocity of beasts, breaking into bloody quarrels which sometimes ended in serious injury and on occasions even in murder.

—from Maxim Gorky, *The Mother*

No doubt, this is a large part of the explanation for the rise of drinking in the Soviet Union. The workers know in their hearts that they are no longer in control and can feel the effects of capitalist restoration in all aspects of their lives. But the development of an alcoholism problem is, in fact, more intimately connected with the restoration of capitalism than even this.

The first references to the drinking problem to appear in the Soviet press were in the early 1950s. But at this time the main target of criticism was not the workers, though we would never go so far as to portray the Soviet proletariat as at any time a teetotaling class. The problem in the early 50s, however, was concentrated among the educated youth, the sons and daughters of the rising new bourgeoisie. These young people had come to see themselves as something special just because their parents were high Party officials, technicians or university scholars. One way a number of them (though decidedly a minority) would flaunt their privileged position was to drink to excess in public.

In late 1953, *Komsomolskaia Pravda* carried a shocking account of a group of such young people who formed a drinking and social club that turned to petty crime to finance its activities. Tragically, in the course of trying to hide their operation from the police, several of the youths turned to murder. When the case was exposed it

turned out that most of the participants came from a background which we in the U.S. might label "spoiled rotten."⁷⁴

Stories like this indicated that the struggle against alcoholism under socialism was not unconnected to the continuing class struggle. This class struggle between the socialist road and the capitalist road, the proletariat and the bourgeoisie, was not just a question of internal Party politics. It touched all aspects of life and was waged at all levels of society.

Yet despite this kind of continued struggle, it was the political restoration of capitalist class rule, signalled by Khrushchev's take-over in 1956, which marked the real take-off point for the resurgence of alcoholism. To confuse and pacify the workers, the Khrushchev revisionists opened the taps and really let the vodka flow. Criticism and exposure of dissolute, privileged youth came to a halt and vodka was pushed on the workers. This was especially true once profit was restored to the command post of the economy.

One U.S. observer, after surveying a wide array of references to alcoholism in the Soviet press, reached the following conclusions:

"Commercial organizations and outlets are vitally interested in the sale of alcoholic beverages, which are sold in special shops, grocery stores and in restaurants and cafes. The fulfilment of economic plans is contingent upon achieving the maximum sales of such beverages, for they account for a large part—approximately one-third—of sales plans in the public catering industry. Enterprise managers, sales clerks, waiters and waitresses are thus personally interested in the liquor trade. Moreover, to increase profits, commercial organizations try to place wine and/or vodka outlets near mass markets. This does not only mean that liquor is sold near plants and factories; in some parts of the country, over-zealous officials sell hard liquor in parks and on beaches, and they have installed wine-vending machines in public places . . . Stores arrange elaborate and attractive displays to advertise alcoholic beverages, corrupting adults and young children alike. At the same time, films, television and popular literature are said 'to praise the pleasures of alcohol to excess.' Apparently 'abundant and pointless drunkenness is frequently shown in theatres, on the screen and on television.' An eminent legal scholar has remarked, '... we see the heroes of our films drinking with gusto. I can hardly think of a single picture in which there is no drinking.' Other Soviet commentators have seconded this view."⁷⁵

That the problem can be laid directly at the doorstep of newly triumphant capitalism was also made clear in a 1971 letter to *Izvestia*, which noted that in the past stores had to fulfill specific sales for particular items. In other words, they were told, try to sell so much meat, butter, eggs, etc. Now, however, each store must strive to meet an overall profit quota which leads

managers to push the easiest products to sell, one of which is vodka. The writer of this letter asked poignantly, "How often for the sake of a visible figure on the profits chart do financial agencies chase after 'graphic' crisp to the touch money . . . (But) how do you calculate the losses from broken homes, degradation of the personality . . ." ⁷⁶ Does this appeal not truly expose the ugly face of capitalism in the Soviet Union today?

In the Soviet Union alcoholism is a matter of great concern also because it is seen as tied in with a more general decline in moral vigor. For example, for the first time in Soviet history (outside of a small number of border regions such as poppy-growing Georgia) drug addiction is emerging as a problem. Evidence of this development is still scanty and it is clear that the problem is not yet nearly so severe as in the U.S., but it is surely growing.

In both 1969 and 1972, new laws were promulgated increasing the severity of punishment for drug trafficking. This year an additional, even tougher, law had to be enacted. And in 1970 the satirical weekly, *Krokodil*, carried the first public expose of the life of a big-time Tashkent dope dealer, a near-legendary figure named "Crooked Apollo." ⁷⁷

More striking and widespread has been the rapid growth of juvenile delinquency. This is often directly associated with alcoholism—much more so than in the 50s—as drunken gangs of rowdy youths have begun to cause real problems; for example, in one Kazakhstan silk-weaving town. (For details of this grizzly story, see box.) With the decline in available recreation facilities and the increasing cost of those activities which do exist, many young people have taken to hanging out aimlessly on street corners, passing around a bottle or two of wine or, perhaps, vodka. As in the U.S., this is often the only kind of social life available to working class youth. But just as in the U.S., it can degenerate into vagrancy, hooliganism or petty larceny. The Soviet press in recent years has been filled with complaints about such activity. In Moscow the rise in burglaries has led the police department to begin selling an automatic burglar detection system which is advertised in the press. ⁷⁸

Also serious has been the problem of the so-called "Bichi" (literally "nuisances"), gangs of tramps who roam outlying regions. These people are attracted to places like western Siberia due to labor shortages in these areas. They come from all walks of life and include "former bank directors, builders, disappointed artists, metal workers, graduates of circus schools, piano tuners" and others. Dropouts from society, they work at casual jobs on a part-time basis and are usually paid in kind with furs, meat and milk by local peasants. These goods the "Bichi" then sell on the black market for a profit.

When not at work, the "Bichi" engage in petty crime, drinking bouts and just general anti-social

ALCOHOL AND CRIME

In the mill town of Fergama, in Kazakhstan, about 600 young women come into the city from the surrounding countryside each year to work in the silk weaving mills. A similar number leave, disappointed and depressed. Why?

According to Komsomolskaia Pravda, the problem is alcohol. It seems that periodically the women's dormitory at the factory falls "under a state of siege." The besiegers are, of course, drunken young men. But these are no idle party raids. On occasion women would narrowly escape rape and all endured the most vile of insults and abuse. One particularly "vicious" gang which from time to time would make such visits to the dorm was under the known leadership of the Secretary of the factory's Communist Youth League chapter!

Why did this occur? Well, one explanation might be that the mill and the women's dorm are separated by about a three block walk. And along this stretch the state has seen fit to set up no less than nine vodka bars. The young women report that sometimes they must arm themselves with bricks and travel in large groups just in order to make it home safely! ⁷⁹

behavior. Themselves victims of the social-imperialist system, their revolt has led them to reject all society and to snub their noses at the hard-working and oppressed majority of the Soviet people. ⁸⁰

The Soviet Union does not publicly disclose figures on crime, but authorities have certainly recognized its growth. Under public pressure, various special commissions have been formed to "deal" with the problem. As in the U.S., a whole criminology bureaucracy is developing and periodically profound "studies" appear which serve only to confirm what ordinary workers had already known. These studies and commissions, despite the fact that many well-meaning people serve on them, are designed to divert attention from the real causes of crime and from the real criminals.

This can be seen pretty clearly from a 1971 interview with the Soviet Minister of Justice, Vladimir I. Terebilov, published in the trade union newspaper *Trud*. Terebilov was not optimistic about prospects for improvement in the crime situation. Nor was he particularly enlightening as to why. His explanation of the rising crime rate reads as follows: "As long as teen-agers commit crimes, we cannot expect crime to be reduced." ⁸¹ Such brilliance! This fellow surely deserves a place beside our own "leaders" in the two-faced, shoddy double-talk Hall of Fame.

These are but a few of the social problems which have developed in the Soviet Union in recent years. We do not mean to suggest that managerial corruption, unemployment, national

oppression, drunkenness and crime are totally new. These were present under Stalin's leadership as well. But at that time these problems represented what was old and declining and not what was new and developing. And most important, the policy of the Party and state were aimed at systematically eradicating such backward things from Soviet society. If this was sometimes done in an inefficient, bureaucratic or insensitive manner, we must learn from that negative experience as well as its overwhelmingly positive character and truly remarkable achievements. And, in opposition to the present social-imperialist rulers, the true Soviet communists had the interests of the working people, the vast majority of the people of the Soviet Union and of the world, at heart.

The restoration of bourgeois rule and capitalism is what lies at the heart of each of the "horror stories" we have related in this chapter. We do not relate this information with glee, standing aside from the struggle like the Trotskyites and other so-called "revolutionaries" who slanderously pontificate about the evils of "Stalinism"—that is, the dictatorship of the proletariat—even as they abandon the Soviet working class in its time of trial and renewed struggle for socialism.

Certainly it would be possible to write lengthy articles, even books, on each of the problems we have touched upon here. We make no claim to a "total assessment", and we encourage others to deepen our still somewhat superficial investigation of such questions as national oppression and the role of women in the Soviet Union. But, at the same time, we would like to stress that for such investigation to be of use to the revolutionary movement, it must be based firmly on the Marxist-Leninist method and upon a firm grasp of the Soviet Union's development into an imperialist (monopoly capitalist) country.

Recently the so-called "convergence" theory has become popular among certain circles of U.S. bourgeois scholarship; and to some extent such ideas have found echoes in the anti-imperialist movement as well. This "theory" tries to argue that the Soviet Union and the United States are spontaneously becoming more alike as each enters the stage of advanced industrial society, also known as "neo-capitalism", "post-industrial society" or "consumer society." This idea is profoundly misleading.

While it is true that the two superpowers are becoming more similar in some key respects (and we have noted several of these), the problems they share are not problems of "advanced industrialism", a new stage in history which supposedly supercedes such "antiquated" 19th century phenomena as capitalism and socialism, a stage which will somehow be reached one day by both China and India, Albania and Yugoslavia, but by "different paths." No, these problems which the two imperialist giants share are problems of class rule—to be specific, of bourgeois class rule.

It is not inevitable that wealth and power be distributed inequitably. It is not inevitable that economic development leads to social disruption, disillusionment and moral decay. The problem of the "quality of life" is a problem as directly tied to the nature of the social system as the problem of wage labor. In China before Liberation there was a drug addiction problem worse than in any "advanced" country today. Yet within ten years after the victory of the revolution, this had, for all intents and purposes, disappeared, and is not re-appearing now that economic development has made great strides under the continuing rule of the proletariat.

The problems the Soviet people face in their everyday lives today are not exactly the same ones faced by their parents and grandparents in 1917, though many phenomena common to tsarist Russia have re-emerged. But, once again, they are problems produced and exacerbated by the capitalist system. And like the problems of pre-October, 1917, these will not be solved until capitalism is overthrown and once more torn from the Soviet soil by its roots.

6. Literature and Art in the Service of the Bourgeoisie

Our survey of life under social-imperialist rule would not be complete if we did not at least touch upon the development of culture under revisionism.

Mao Tsetung has stated:

"Any given culture (as an ideological form) is a reflection of the politics and economics of a given society and the former in turn has a tremendous influence and effect upon the latter . . ."

He also says: "In the world today all culture, all literature and art belong to definite classes and are geared to definite political lines."⁸²

Under Stalin, Soviet policy on the arts was based upon the application of these principles. During those years serious attempts were made to develop and popularize proletarian forms in literature and art.

When we speak of proletarian art we mean two things. First of all, true proletarian art is art that teaches the working people about their own history, traditions of struggle and achievements. It is art which seeks to raise the workers to a fuller and more complete understanding of their place in the world and of the historical destiny of the working class to build a new socialist and communist world, and thus liberate all humankind. Proletarian art is partisan art. It boldly champions the cause and leadership of the working class. It stands for collectivity over individualism, for struggle and militancy over pacifism, for the toiling masses over all exploiters past and present.

But proletarian art must be art for the workers. The proletarian artist cannot preach to the masses but must go among the masses, learn from the masses and bring back to the masses in the higher

form of art their own authentic, heartfelt aspirations. To do this proletarian art must speak the language of the masses.

In the first decade of Soviet power, a number of artists and writers were inspired by the revolution and its liberating force. These men and women sought to express their support for and loyalty to the revolution in their art, but many had little experience with the real world of the workers and peasants. They were more familiar with the narrow, inbred world of the petty bourgeois artist. Thus, many gravitated toward formalist and expressionist forms of abstract art. This was particularly true in painting and music.

But such art meant little to the workers. Therefore, by 1930 the Party had moved to correct the situation. Norms were established to guide cultural workers and to help them better serve the masses of people. Many remolded themselves by joining in the heroic efforts to industrialize the country, defeat the Nazis and build socialism.

These proletarian artists worked side by side with the working people and their works reflected the kind of class feeling this engendered. Others, however, retained their old bourgeois world outlook. They continued to believe that they, the artistic and literary "geniuses", were the real heroes and that it was their job to interpret life to the masses who were dull and stupid.

Throughout the socialist period the struggle between two lines on literature and art continued, as did the class struggle as a whole. During this period the proletarian line was generally in command, and was expressed through the theory of "socialist realism."

"Socialist realism" is a concept much maligned by the bourgeoisie. In essence, however, this theory meant only that art should reflect reality as seen by the class conscious proletariat. In other words, revolutionary art and literature should portray in a down-to-earth style the reality of socialist life from the point of view of revealing the new world coming into being. This concept is intimately connected with Andrei Zhdanov, who was its major proponent in the late 1940s.

The bourgeoisie loves to portray Zhdanov as an enemy of art; indeed, an enemy of life itself. This is patently absurd. We need only point out that when Leningrad was under siege by the Nazis and the whole city was starving and freezing, struggling daily with death, it was Zhdanov (then the city's Party secretary) who arranged to hold a writers' congress right in the city's center!

But Zhdanov was an enemy of bourgeois art. Through constant criticism he sought to develop among Soviet cultural workers an attitude that in art and literature, as elsewhere in life, politics must be in command. The campaign associated with Zhdanov was an important blow struck by the Soviet communists in their struggle with revisionism. (see Chapter II).

The Soviet working class produced many fine writers and artists. The most famous is certainly Maxim Gorky, whose career began before the re-

volution and whose works, such as *The Mother* and *The Lower Depths*, served as models to a whole generation of proletarian writers. Other notable writers include A. Fadeyev, whose *The Young Guard* tells the story of a group of Soviet youth who fight heroically behind Nazi lines in World War II. Also a great contribution was Nicholas Ostrovski's *How the Steel is Tempered*. And in film can anyone deny the great proletarian artist, Sergei Eisenstein?

With the coming to power of the Khrushchev gang in 1956, however, these figures were pushed to the background. Their writings were branded "outmoded." Instead, figures like Boris Pasternak, Ilya Ehrenburg and Yevgeny Yevtushenko came to the foreground.

Pasternak and Ehrenburg represented an older generation of Soviet writers. They were the men who had refused to remold themselves. For years they had harbored resentments against the workers' state for "shackling their creativity." Now they were set free to publish openly all the garbage they had been carrying around in their heads for so long. In his six volume memoirs, *People, Years, Life*, Ehrenburg wrote warmly of the United States and praised all the great "progress" the U.S. ruling class was making. He openly attacked Stalin (in this he was given special encouragement by Khrushchev) and renewed his now weary call for the introduction of the abstract into the Soviet Union.⁸³

More important was the publication of Pasternak's counter-revolutionary novel *Doctor Zhivago*. This book treats the Russian revolution through the eyes of a complete historical non-entity, a man who stands aside as history takes a leap forward. Is this done to point to the folly of such a position? Of course not. The main theme of this novel is the assertion that the October Revolution was an "historical error" and an "irremediable catastrophe." It alleges that "everything that happened" after the October Revolution "was a crime." The October Revolution was a catastrophe—but for the bourgeoisie!

In addition, this period saw such figures as Mandelstam, Zoshchenko, Akhmatova and Bunin—all previously criticized—crawl out of the woodwork and into the limelight. This period saw such books as Solzhenitsyn's *One Day in the Life of Ivan Denisovich*, and Dudintsev's *Not by Bread Alone* become "bestsellers."

At the same time, Yevtushenko came to represent a new generation of writers. Marching under the Khrushchevite banner of the so-called "culture of the whole people, of all mankind", young writers like Yevtushenko claimed only that they were "children of the 20th and 22nd Congresses of the Communist Party of the Soviet Union."⁸⁴

In their works these writers would slander the accomplishments of the Soviet working class. They held up the capitalist world as a model to be emulated, openly identifying with the Western bourgeois style of life. For example, in one novel the author Gladilin described his "hero" as a man

"seeking ways to make money to buy a car as soon as possible so that he could drive for pleasure every Sunday." Is this the proletarian ideal? ⁸⁵

This new school of art was extremely influential in film. Under Khrushchev, Soviet filmmakers abandoned the militant tradition of Eisenstein. Increasingly, Soviet films began to examine life not from the class conscious stand of the revolutionary proletariat but from the "humanistic", pacifistic stance of the bourgeoisie. Commenting on the Soviet love film, *Nine Days of a Single Year*, *Time* magazine noted that in the past the heroes of Soviet films were "Stakhanovites and strong-jawed sons of the soil", while in this film the heroes are more like the "bourgeoisie" of the West. This shows, in *Time's* view, "how far creeping liberalism has managed to advance." Another film of this period, *I Stride Through Moscow*, is a flagrant copy of the typical Hollywood diversion. ⁸⁶

During the Khrushchev period, Soviet films went out of their way to encourage bourgeois pacifism as part of the general campaign to present "peaceful co-existence" as the essence of communist strategy. For example, the film *Ballad of a Soldier*, which was widely acclaimed in the U.S., takes as its theme "how war goes against nature and peace brings happiness." While it is true that the final aim and destiny of the working class is to abolish all war, by eliminating imperialism and all reactionary classes, it is not true that under all conditions peace necessarily brings happiness. Peace with imperialists can only bring greater suffering and more war. Yet this film puts forward precisely this notion of classless peace at any price.

In response to criticisms of this kind, Soviet apologists often point out how the Soviet Union suffered during World War II. They argue that after 20 million deaths the Soviet peoples learned better than anyone the real significance of peace. This is certainly true. But the real significance of peace is not what the revisionists say it is. Peace is not something for which people go begging. It is not something for which the masses will not sacrifice. Peace must be won on the basis of freedom, independence and ultimately socialist revolution. It is not some classless, foggy utopia.

Contrast the revisionist treatment of Soviet wartime sacrifices with the attitude of the Vietnamese communists, for example. Certainly the Vietnamese have suffered from war as much as any nation. Yet do the Vietnamese speak of how war goes against nature? Have they yearned only for the guns to silence? No! Because, as Ho Chi Minh declared, "Nothing is more precious than freedom and independence."

With the ousting of Khrushchev and the advent to power of Brezhnev, Kosygin and Co., the revisionists began to change their tune a bit. It appears that during the Khrushchev years, "liberalism" in art, literature and film went a little too far. The petty bourgeois individualism of

such writers as Solzhenitsyn was as uncomfortable with imperialism as it had been with socialism. And with all the writers jumping on the bandwagon to "expose" Stalin and his "crimes", people began to wonder whether they could ever believe their leaders. After all, if a jerk like Ehrenburg had known the "truth" all along, where had Brezhnev been?

Thus the new leaders began to tighten the reins on their new bourgeois artists. Most went along with this move. Yevtushenko, for example, found it quite easy to make a smooth transition from angry young man to "official" poet. He only demanded in exchange that he be permitted to travel abroad where he might hobnob with the Western society set. This he was quickly granted. Other writers refused to buckle under to so-called "re-Stalinization" of the arts. Many of these became the kernel of today's "dissident" movement. (see Chapter VI)

Of particular importance to Brezhnev was that Soviet writers abandon the kind of pacifism characteristic of art under Khrushchev. This had served its purpose. Now the Soviet leadership was actively seeking to change the hegemony of U.S. imperialism and for this a more martial spirit was needed.

Thus, at the 24th Party Congress Brezhnev called for literary works to reflect "patriotic theme." ⁸⁷ At the 5th Congress of Soviet writers, G.M. Markov, first secretary of the Union of Soviet Writers, emphasized that "literature has a 'special responsibility' to army and navy personnel." He added that all efforts must be made to develop and strengthen the war tradition in Soviet literature. ⁸⁸

In particular, recent works have lauded Soviet military adventures around the world. The documentary film, *Czechoslovakia, a Year of Test*, tries to justify the social-imperialists' brutal invasion of that country. It was awarded "the state prize for literature and art."

Another documentary, *The Ocean*, "plays up Soviet revisionist social-imperialists' global maritime expansion through its portrayal of a Soviet admiral in command of fleets in the Atlantic and Pacific Oceans, the Berents Sea, the Arctic Ocean, the Baltic Sea, the Black Sea and the Mediterranean." In the novel, *Nuclear Submarines on the Alert*, the notion of "loafing about in one's own territorial waters" is criticized. "Before the war we did not often go to sea," the authors of this work note, "but at present a fundamental change has taken place."

Another theme of these increasingly militarist works is the glorification of the military traditions of tsardom. Accordingly, the literary magazine, *Molodaia Gvardia*, openly lauded notorious colonialists as "patriotic" heroes. The old Tsar Alex is praised for his "patriotic" feats, though he is known for aggression and expansion. *Gold Fever*, a long novel published recently, openly defends the tsars' crimes of aggression against China. It

alleges that areas seized from China under unequal treaties (later renounced by Lenin) were "first opened up" by Russian immigrants.

Of course, under socialism works of art did encourage a militant, martial spirit among the masses, and a socialist patriotism linked with communist principles of proletarian internationalism. But in these works a careful distinction was made between real "defense of the motherland" and outright aggression. Moreover, these films were designed to mobilize and educate the masses themselves to their own defense.

Today, however, Soviet artists downgrade the role of the masses. Like their U.S. counterparts they portray technology as all-powerful and people as weak. This provides a link between the pacifism of the Khrushchev years and the militarism of today. The key difference is that under Khrushchev, socialism was being wrecked and the process of capitalist restoration was in its first

stage, while today the Soviet Union has engaged as a full-fledged imperialist superpower, wrecked by internal contradictions and forced to expand through aggression everywhere—so it is on the offensive throughout the world.

Look, for example, at the full-length feature film *Tame the Flames*, which is devoted to the race for nuclear superiority. This film takes the absurd but common imperialist position that a strong nuclear shield is the best defense against war. Thus, the film boasts of the "power" of Soviet rockets. It urges scientists to serve the military. According to *Pravda*, "*Tame the Flames* is our political film." It is "of historic significance in the deepest sense of these words." The long novel *Thunder of Rockets*, devotes a great deal of space to the dream of a rocket force commander: A nuclear war breaks out and he is sent to attack the enemy with nuclear weapons. He wins victory and the enemy is destroyed.

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Soviet poster, put out in 1966,
stresses central role of profits
in new Soviet capitalist system.
Worker in poster is holding
pile of money, with word
"Profit" blazed across it.



VI. THE SOVIET PEOPLE FIGHT BACK

"Wherever there is oppression, there is resistance." The entire history of the human race bears out this fundamental principle of Marxism-Leninism. From the dawn of class society, people have risen in revolt, striking mighty blows against their oppressors. These blows have always been a powerful force pushing history forward.

Today's Soviet people are the heirs to just such a rich history of resistance. Throughout the feudal period the Russian serfs rose continually in huge rebellions which shook tsarist rule. Great revolts led by men like Stenka Razin and Emilian Pugachev challenged the military might of the feudal autocracy, only to be drowned in rivers of blood. These movements, however, inspired millions of peasants who once again rose up, killing landlords and burning their estates in what Lenin called the "revolutionary situation" of 1861-63. This resistance forced the tsar in 1863 to grant the legal but not actual abolition of serfdom.

With the development of capitalism and the revolutionary proletariat in Russia, this resistance leaped forward. Representing the most advanced relations of production, the proletariat was able to play the leading role in the struggles of all oppressed people in the Russian empire, including the peasants and the oppressed nationalities. Beginning with the great textile strikes at Ivanovo-Voznesensk in 1885 and St. Petersburg in 1896, the Russian workers rapidly developed their economic and political struggle. Led by Lenin and the Bolsheviks, the multinational Russian proletariat gathered all the oppressed around its banner and in 1917 overthrew the moribund autocracy and then seized power from the old exploiting classes.

Today the restoration of capitalism by the Khrushchev-Brezhnev-Kosygin clique, representing the interests of a new bourgeois class, is a tremendous setback to the revolutionary struggle of the entire international proletariat and all oppressed peoples. Yet carrying on in their heroic tradition, the Soviet people are resisting the rule of their new oppressors. This struggle has caused severe difficulties for the Soviet rulers and is a constant source of embarrassment for them around the world. As was noted in a recent issue of *Peking Review*, "The Soviet Union today

is by no means 'stable' and 'harmonious' as Brezhnev and his types describe it. It is filled with sharp class antagonisms, national contradictions and social upheavals."

1) The Soviet Union: A Fascist State

The struggle being waged today by the Soviet people must and inevitably will develop into a revolutionary movement to overthrow imperialism and re-establish socialism. Only the working class can lead this struggle to final victory. The Soviet rulers know this and are trying to suppress this struggle by enforcing a rigid, fascist-type dictatorship against the Soviet people, especially the workers—that is, an open, terroristic dictatorship of the new Soviet bourgeoisie.

Fascism develops when the imperialist bourgeoisie cannot rule in the "democratic" way which it developed mainly during the epoch of "free market" capitalism. The democratic parliamentary form of government is suitable to the bourgeoisie because parliaments, elections, etc., provide mechanisms through which the bourgeoisie can peacefully resolve its internal disputes, the middle strata can be effectively tied to the bourgeoisie, and the dictatorship of the bourgeoisie can be disguised from the masses. Imperialism, however, means, as Lenin put it, reaction all along the line, and as it is increasingly challenged on all fronts, the imperialists often must resort to the establishment of an openly terroristic form of dictatorship.

There is, of course, a contradiction in this which the bourgeoisie must contend with. For under imperialism contradictions among competing capitalists increase, they do not disappear (as some would have us believe). Imperialism only intensifies the uneven development of capitalism. Thus, under fascism new forms of resolving contradictions even within the imperialist ruling class itself must be found, and in most cases these forms prove less effective and desirable for most imperialists than the older, historically tested methods of bourgeois democracy. In Nazi Germany, for instance, this took the form of *de facto* arbitration by the all-knowing *fuhrer*.

In the Soviet Union, however, imperialism did

not develop out of the competitive capitalist stage. Instead, it developed on the basis of turning the party of the proletariat into a bourgeois party, and utilizing the forms of state apparatus developed under the dictatorship of the proletariat for the purpose of re-imposing bourgeois dictatorship. Under socialism the proletariat has little use for bourgeois parliamentary forms, though socialism does mean true democracy for the masses of people for the first time in history.

Moreover, because it represents the interests of the vast majority of the people and seeks to involve the masses increasingly in the mastery of society, the proletariat can openly declare its rule in fact to be a *dictatorship*, but a dictatorship over the handful of old exploiting classes and not over the people. The socialist state is a highly centralized and powerful instrument of class rule, far more powerful than the traditional bourgeois forms, exactly because it rests and can only rest on the revolutionary unity of the working class, whose class interests are not marked by the conflicting profit drives of individuals or groups within the class, as is the case with the bourgeoisie.

Under Stalin the centralized state apparatus was an extremely effective weapon against all brands of counter-revolution, foreign and domestic. But it was only one such weapon. Marxist-Leninists have always held that the most effective weapon against counter-revolution is the armed masses themselves, mobilized around a correct political understanding. Under Stalin a secret political police force played an important role; corrective labor camps and penal institutions of varying types also existed. Although a number of excesses did occur, this apparatus was directed not at suppression of the broad masses but at corrupt party officials, managers, generals and other members of the officer corps, bureaucrats, foreign agents and even officials of the police agencies themselves. In short, the security and penal institutions of the socialist state under Stalin were instruments of proletarian rule and not of bourgeois repression.

With the seizure of power by the Khrushchev clique, however, the centralized state apparatus was taken from the people and placed in the hands of the people's enemies. The Soviet bourgeoisie was thus able to move toward a fascist dictatorship without many of the difficulties associated with the transition from a "democratic" bourgeois republic. A strong centralized state was already present, but the key question was which class would this state serve, the proletariat or the bourgeoisie? And even under fascism, the ruling bourgeoisie does not rely 100% on open terror, but also on deceiving the masses. In the Soviet Union, this takes the form of disguising fascism as socialism—which was done by Hitler as well, but is easier to do in the Soviet Union because genuine socialism really did exist there for decades.

Further, Khrushchev could not immediately turn

the repressive force of the proletarian dictatorship against the workers. His first step was to attack this force to destroy its effectiveness. This was the so-called period of liberalism of the late 50s and early 60s. At this time Khrushchev attacked the security forces as "arbitrary" and "lawless." By playing upon real weaknesses but also by manufacturing lies, he was able to confuse the issues and demoralize honest cadres. The power of the police and penal organs was drastically cut, a number of institutions abolished, and the green light was given to all sorts of counter-revolutionaries to come out of the woodwork as the prisons were emptied. Where the police apparatus was not broken up, tested, proletarian fighters were replaced by bourgeois elements.

Along with this development, however, and picking up speed after 1965, a new security apparatus was being formed. Unlike the old police, this apparatus was directed not against the bureaucrats and other exploiters but against the people. As a first measure, the State Security Committee (KGB), under the direct control of the Central Committee of the CPSU, was expanded and turned into a large secret service with a nationwide network of agents. Then, the Ministry of Social Security was formed in 1966. Two years later this was changed into the Ministry of the Interior and enlarged. In 1968 police power was also expanded, the number of police greatly increased and "professional security offices", "night-shift police stations", and "motorized police units" were set up.

Modern equipment for repressing crowds and spying on people was introduced. In 1970 a judicial department previously abolished by Khrushchev was re-established by Brezhnev and Kosygin. The old courts were extended and new ones built. Since the Party and State Control Commission was changed into the People's Control Commission in 1965, another extensive network for supervision has been formed.²

The social-imperialists have also greatly expanded the prison system in recent years. Labor camps are divided into "ordinary", "intensified", "rigid discipline", and "special." There are over 1,000 of these camps with over a million prisoners.³

The social-imperialists have also developed an infamous network of "mental hospitals" where political prisoners are incarcerated and sometimes tortured. According to a report by the civil libertarian group *Amnesty International*, conditions in these hospitals are "considerably more severe than those existing in today's prisons." Six "special" psychiatric institutions exist especially for the confinement of political dissenters. Among the most notorious of these is the infamous Serbsky Institute in Leningrad (see box). Here political prisoners are forced to share cells with criminal psychotics. They are "subject to physical torture on the pretext of treatment, to injections of large doses of 'aminozin' and

'sulfazin' which cause depressive shock reactions and serious physical disorders." At these hospitals orderlies are actually recruited from the security personnel and male nurses from the ranks of criminally psychotic patients. As a result, both truly sick patients and political prisoners are the victims of daily beatings and sadistic humiliation on the part of the supervisory personnel."⁵

LIFE IN THE SERBSKY INSTITUTE

"The hospital regime was similar to any prison regime. One hour's exercise a day, locked cells, outside visitors once a month, one letter a month to relatives, one parcel a month. Exactly the same as in a prison. The doctors themselves realized that it was not a hospital but a prison and sometimes said so openly. If a patient misbehaved he could be punished.

"It was very easy to get into trouble in that hospital, and the punishments were very severe. There are three kinds of punishment which are most commonly applied there. The first form of punishment is carried out by medical means. I think people know about a preparation known as Sulfazine, which is used if one of the patients—prisoners—in the hospital committed some offense or gave a doctor a rude answer to some question or declared that a doctor in the hospital was really an executioner in a white smock. Such a remark would be sufficient to involve punishment. Sulfazine is a pretty painful form of punishment: it causes your temperature to rise to about 40 degrees centigrade, you feel you have a fever, can't get out of bed or move about, and it goes on for a day

or two. If the treatment is repeated, then the effects can last a whole week or ten days.

"A second form of punishment involves the use of the preparation called Aminozine, used in psychotherapy, also known, probably, in other countries. It causes the patient to feel drowsy, sleepy—he may sleep several days on end, and if such a treatment is given regularly he may go on sleeping as long as it is continued.

"The third form of punishment we used to call the 'roll-up'—it involved the use of wet canvas—long pieces of it—in which the patient is rolled up from head to foot, and so tightly that it was difficult for him to breathe, and as the canvas began to dry out it would get tighter and tighter and make the patient feel even worse. But that punishment was applied with some caution—there were medical men present while it was taking place who made sure that the patient did not lose consciousness, and if his pulse began to weaken then the canvas would be eased."

—From an interview with **Vladimir Bukovsky** by CBS Television News, reprinted in **Survey**, Autumn 1970

Such barbaric practices are not, however, a special feature of Soviet social-imperialism. In recent years the U.S. imperialists have adopted similar methods, largely in response to the many prisoners' rebellions. At the California state prison medical facility at Vacaville, Calif., for example, experimentation is now going on with all sorts of drugs and even with psychosurgery. These techniques are designed to "pacify" rebellious inmates under the guise of "modifying" and "adjusting" "aggressive, anti-social behavior." As in the Soviet Union, politically active prisoners are singled out for such treatment. A recent article in the *San Francisco Chronicle*, describing a visit by a U.S. medical delegation to the Serbsky Institute, makes it clear that the U.S. imperialists are eager to exchange experiences with their social-imperialist counterparts.

2) Forms of Resistance

It is hard for the Soviet people to fight back under such conditions. Moreover, the mask of socialism the new tsars wear and take great pains to preserve has not yet been ripped away and serves to confuse and demoralize many. Because the social-imperialists have a communications monopoly, information on resistance and struggle, especially among the workers, is scarce. Yet enough is known to recognize that resistance is on the rise.

The factories are the main area of struggle. The social-imperialists are having a tougher and tougher time meeting plan quotas because workers are refusing to submit to speedup and other abuses. As we have already explained, the developing crisis of the social-imperialist economy has forced the revisionist chiefs to place ever-growing burdens on the shoulders of the working class. As *Izvestia* noted on January 26, 1972, "labor productivity will become the main lever in the development of the national economy."

The workers are resisting this speedup through slowdowns and a marked decline in labor discipline—a source of constant complaint by managers and other officials. For example, the manager of the Novokuibyshev Petrochemical Combine wrote to *Pravda* complaining of high labor turnover due to worker dissatisfaction. He noted that in 1971, his plant hired 1,054 new workers while at the same time 825 quit. He demanded "strict labor legislation on the responsibility of persons with a lenient attitude toward violators of labor discipline, drunkards, self-seekers and dishonest people in general."⁷ And another letter urged that labor booklets used to assign workers to jobs and keep the economy at full employment under socialism, should now be transformed into more effective disciplinary tools. Instead of recording just work time, job, etc., these books "should record everything: incentives, punishments, absenteeism." This, it was

declared, would enable personnel departments to weed out "slackers" and "troublemakers."⁸

An interesting development was reported by *The N.Y. Times* on May 21, 1972. *The Times* noted the rapidly growing popularity in Soviet managerial circles of a new book, *The Manager and the Subordinate*, now a standard text of Soviet "labor relations" literature. It deals with such topics as how to convince striking workers to return to their jobs, how to get workers to work harder without "undue friction", etc. And the author of the book openly acknowledges that his recommendations are based upon those of a similar U.S. work—Dale Carnegie's *How to Win Friends and Influence People!*⁹

Another graphic illustration of rising resistance is revealed by a unique survey, whose results were published last December in *Izvestia*. In this survey, 2,952

Another graphic illustration of rising resistance is revealed by a unique survey, whose results were published last December in *Izvestia*. In this survey, 2,952 workers between the ages of 18 and 25 at a large locomotive plant in the Ukraine were interviewed. Of these, 66% publicly declared that they were dissatisfied with their pay, 71% were dissatisfied with the condition and safety of plant equipment, and 70% were unhappy with factory sanitary conditions. In a similar poll taken five years earlier, 54% were unhappy about wages and in all three categories there was an average increase of 18% in the number of dissatisfied workers.

The workers also sharply criticized a number of management practices. They vehemently attacked the common revisionist practice of "storming" to meet quotas at the end of each month, quarter or year. They said this was just speedup resulting from managerial incompetence. And the much-vaunted "socialist emulation" campaigns run by the revisionists were sharply denounced as "just fiction." According to one lathe worker, "It exists only on paper. Many people do not even know with whom they are competing." An electrician added that "On our crew there is no emulation, there is simply a quota that you have to meet." Of course, according to *Izvestia*, all these complaints represent little more than "the frustration of workers at not having enough attractive goods to buy."¹⁰

Another significant way the Soviet people reveal their dissatisfaction and opposition is through the great respect and admiration they still have for Stalin. According to several different reports, a strong and spontaneous undercurrent of affection emerges in all sorts of situations. For example, when Stalin appeared in a recent documentary film on WW 2, audiences often burst into applause. (Several Western observers witnessed this.) Despite Khrushchev's vicious campaign of slander, Stalin clearly remains the most popular and beloved of all Soviet leaders since Lenin. As even the Moscow correspondent of *The New York Times*, Hedrick Smith, was forced

to admit, "Stalin enjoys great latent prestige among the Soviet people and a much more favorable popular reputation than Nikita S. Khrushchev."¹¹

The U.S. bourgeoisie has often defiled Stalin as an oppressor of the peasants and the national minorities. Yet, according to Smith, feeling for Stalin is particularly strong in the countryside and among the oppressed nationalities, especially in the Central Asian Republics and in the Republic of Georgia, Stalin's birthplace. And although older workers are naturally more fond of Stalin than the young who have no memory of life under socialism, many younger people, too, have recognized the great accomplishments under Stalin's leadership. Recently the decadent revisionist "poet", Yevgeny Yevtushenko, one of Khrushchev's henchmen in the anti-Stalin movement and now a leading lackey of the Brezhnev regime, was "shocked" to find Komsomol (Young Communist League) members toasting Stalin's memory at a recent picnic. And a schoolteacher in her late 20s reported that she liked Stalin "in spite of the fact that he was a hard man. Maybe he had to be a hard man at that time, maybe it was necessary", she said.¹²

At parties and social gatherings, toasts to Stalin are common. Recently, one West European diplomat found himself at a party where middle-aged, middle-level cadres toasted Stalin at least half a dozen times during the course of the evening. The "excuse" for this was that the wine being drunk was from Georgia. And in Georgia itself an older man emphasized that "Our first and last toast at any gathering in Georgia is always to Stalin. This has been our custom for many years and we haven't changed it."¹³

At Gori, a town in Georgia and Stalin's birthplace, the Stalin Museum remains open due to popular demand. Its director says, "The people who come here do so because they love Stalin." When asked why a portrait of Stalin was displayed prominently in their living room, her husband, a collective farmer, replied, "I can't see how I can be without it. This portrait has always been in my house. I am happy to be born in the place where Stalin was born, and I'll keep his image in my house forever."¹⁴

Even the so-called "dissident" intellectuals, whose attacks on Stalin rival Khrushchev's and Trotsky's, must admit that on this question in particular they stand completely isolated from the Soviet people. One "dissident", a writer in his 60s, noted that "Stalin has a real hold on the people. They feel that he built the country and he won the war. Now they see disorder in agriculture, disorder in industry, disorder everywhere in the economy and they see no end to it."¹⁵

This "disorder" has met with more than just the kind of passive resistance we have described so far. Although the social-imperialists keep a tight lid on any news of mass rebellion, a number of incidents have come to light. We have already

noted the wave of protests which greeted the price hikes of 1962, particularly the major riots in Novocherkassk and Temir-Tau. While these events marked a high tide of popular resistance, they were not the end of revolt. In June 1967, workers in Chimkent in Soviet Central Asia demonstrated after police beat a taxi driver to death. The demonstrators attacked and burned down the police headquarters and a nearby police station. Tanks were sent in to suppress the uprising and dozens of workers were killed.¹⁶ In addition to this well-documented struggle, *Peking Review* reports that "thousands of workers in the Kharkov Tractor Plant staged a strike in November of the same year." *Peking Review* also reports that in September 1972, thousands of workers went on strike and demonstrated in the city of Dnepropetrovsk.¹⁷

One incident in particular seems typical of the many militant struggles waged by workers throughout the Soviet Union.¹⁸ It is also significant because a detailed account written by the workers themselves has been smuggled out. In 1969, workers at the Kiev Hydro-electric station construction project (one of the largest building projects in the Ukraine) rebelled against deteriorating housing conditions and officials' callousness.

The workers lived in temporary dwellings in several villages near the construction site. Though decent living conditions had been promised, roofs were leaking, walls cracking and "some of the dwellings have become uninhabitable, that is, in a state of total disrepair."

According to their own testimony, the workers "more than once applied for repairs to the deputy director of the construction project, comrade Abramov, but he did only one thing: he threw people out of his office." No meetings were ever held at which complaints could be expressed.

In response to this situation, the workers themselves called a meeting. What happened next was reported in the *Chronicle of Current Events*, an underground journal produced by "dissident" Soviet intellectuals and suppressed last year. Breaking with its usual callous neglect of working class struggles, this journal gave the following account of the incident:

*"In mid-May 1969, workers at the Kiev Hydro-electric station in the village of Beryozka met to discuss the housing problem: many of them are still living in prefabricated huts and railway coaches despite the authorities' promises to provide housing. The workers declared that they no longer believed the local authorities and decided to write to the Central Committee of the Communist Party. After their meeting, the workers marched off with banners carrying such slogans as **All Power to the Soviets!** KGB men drove up in veterinary vans and were greeted with shouts of 'What d'you think we are? Dogs?!' Remonstrating with the crowd, the KGB men tried to whip up feelings of 'class hatred' towards one of the active participants in the affair,*

retired Major Ivan Oleksandrovich Hryshchuk, by pointing out that he was on a good pension, so what had he got to kick up a fuss about? Hryshchuk agreed that his pension really was undeservedly large—indeed he had already been donating it to a children's home for two years. Moreover, he earned his living by honest labor, unlike the KGB men. The next day there was an official meeting at which some of the speakers tried to blacken Hryshchuk, but by the time they left the platform they had been literally spat upon by the workers. The workers sent a delegation to Moscow with a letter signed by about six hundred people on their housing problem. At the end of June Ivan Hryshchuk was arrested in Moscow. The workers wrote a new letter, this time demanding his release as well."

This second letter has been published in the West. In it the workers tell how even before the delegation returned, officials of all kinds descended on the settlement—for the first time ever!—to push through the election of a new house committee. (This committee was the group which officially sponsored the delegation to Moscow.) By doing this the authorities hoped to declare the delegation self-appointed and illegitimate. But, in the workers' words, "that ploy did not work."

The management, however, refused to be deterred. "In spite of having been refused by all the residents, they, nevertheless, collected about 30 unauthorized persons in the civic centre and 'elected' a new house committee . . . They then began a constant terrorization of everyone who had actively participated in the above-mentioned meeting, or actively taken part in the work of the old house committee."

On June 10 another meeting was held. It was "stormy." The workers spoke out about all their grievances. They won an agreement from a local Party official, Col. Lavrenchuk (also a police officer), that "all shortcomings would be corrected" and that upon its return the delegation would be permitted to report to the people at a similar meeting. According to the workers, "We believed Col. Lavrenchuk, believed him as a man, but we were bitterly disappointed."

On June 13, after the delegates had returned from Moscow, a third meeting was held. The workers described it as follows:

"... at this meeting the leaders outdid even themselves. It began with them giving a short ring and those who managed to jump into the hall got into the meeting; the rest were locked out . . . appointing himself to conduct the meeting, the construction project party organizer, Velychko, stated that no one had sent any delegation to Moscow and no one was going to get a hearing that day . . . those who had been locked out in the street, began pounding on the door, while the audience began demanding that these people be admitted. With some trouble, people managed to enter the meeting

hall and it was filled to the rafters. People asked to be allowed to speak, but Velychko did not recognize anyone's right to do so; to the questions directed from all sides, he replied that they were not 'pertinent'. Later, when in his opinion, all the 'pertinent' questions had been exhausted, he adjourned the meeting. But the people did not leave the meeting hall; they demanded that Hryshchuk and the rest of the delegation speak. But when the delegates, who had been encouraged and supported by the entire audience, began to ascend the stage to the podium, the party organizer of the construction project, Velychko, behaved like a vile hooligan. He shoved a woman holding a child, grabbed the microphone from Hryshchuk and ripped it out of its socket. Col. Lavrenchuk, the same 'good colonel' who had promised to allow the delegation to speak, ordered a detachment of militia officers into the meeting hall to arrest our delegates. Comrades! What is this??? Who ever saw the like? One gets the impression that these puffed-up and presumptuous so-called leaders were provoking a riot."

It was following this meeting that Hryshchuk was arrested and the workers drew up their Appeal to the Central Committee from which we have been quoting. They also vowed to remain on strike until their demands were met and the local officials removed.

During this struggle, the workers retained their faith in the Communist Party leadership. Although the local Party officials, like Col. Lavrenchuk, were exposed as double-dealing backstabbers, the workers were convinced that if only the higher officials in Moscow knew the situation all would be rectified. In concluding their Appeal, the workers stated that "We do not believe that this arrest was made with the knowledge of those above, and we earnestly ask that you take under your protection the delegation which has come to you with this letter ... We will await your reply peacefully. And in the event that our letter does not reach you, we will send people to you with this same letter, again and again, until you receive this letter."

It is not known what finally happened to the Appeal, but we are reminded here of the St. Petersburg (Leningrad) workers in 1905. Although the St. Petersburg workers had been engaged in many violent struggles against their employers throughout the 1890s and early 1900s, many were still under the illusion that the tsar himself remained their friend. When the communists would agitate for overthrow of the autocracy, many of the more backward workers shouted them down with cries of "no politics!" According to these workers, the tsar was good, only the local officials and capitalists were bad. The tsar, they said, had to be told of the evil things done in his name.

The workers were encouraged in this attitude by a police agent, a priest named Gapon. He organized a mass march to the Winter Palace to

present a petition to the tsar. It was formulated in the most humble of tones.

The communists and advanced workers fought against this tactic but were defeated. They marched along with the masses anyway. Over 200,000 marched, many with children and a number carrying religious icons and portraits of the tsar. When the crowd reached the Palace Square, Cossacks charged them from all sides, swords flying and guns blasting. Hundreds died that "Bloody Sunday" and the illusion of a just but ill-informed tsar was drowned in the flood of proletarian blood. This was the beginning of the Revolution of 1905, the great "dress rehearsal" for the even greater revolutions of 1917.

It is clear from the events described at Kiev that today, similar illusions about the new tsars exist among some Soviet workers. But as the struggle of the workers develops, these illusions will also be swept away. And like Col. Lavrenchuk in Beryozka Village and Tsar Nicholas II in St. Petersburg, Tsar Leonid Brezhnev will soon stand fully exposed for all to see—a bloody criminal and a bourgeois exploiter doomed to the "dustbin of history."

The Kiev incident is also significant because about a year before, three workers from the same construction project were arrested for opposing the social-imperialist policy on the national question. The three were picked up for distributing leaflets at Kiev University and at the Agricultural Academy protesting forceful Russification of the Ukraine. In response, the authorities instituted a rigid pass system, with visitors to the university having to carry three official stamps to enter the campus.¹⁹

In fact, open resistance is most widespread among the oppressed nationalities. In 1968, 300 Crimean Tatars in the town of Chirchik were arrested for defying a ban on public assembly in honor of Lenin's birthday. Police surrounded the demonstrators and sprayed them with a "poisonous liquid" before beginning mass arrests. According to some reports, several of the Tatars broke through the circle and went to Party headquarters to protest the police attack. Here, too, they were detained.²⁰

The Tatars were moved to Central Asia from their homeland in the Crimea during World War 2 because a number of Tatars from the feudal ruling class had conspired with the advancing Nazi army at a time of great peril to the Soviet government and people. While we are in no position to determine whether such a drastic action was justified at the time, it is certainly clear that the danger has long since passed. In recent years deteriorating conditions have produced a growing movement among the Tatars to return to the Crimea, and they have raised the just demand for full restoration of their national democratic rights. The Chirchik incident took place in the context of this growing movement.

In 1972 the resistance of the oppressed peoples reached a new peak. The most celebrat-

ed incident took place in Kaunas, Lithuania. Here, a 20 year-old Lithuanian, Roman Talanta, burned himself to death to protest political domination by Great Russian officials and for full democratic rights for Lithuanians. His funeral procession touched off two full days of rebellion in which thousands of Lithuanians took to the streets shouting "Freedom for Lithuania!" They attacked the office of the city Party committee and the police station and were met by a force of military police and paratroopers. Two policemen were reported killed.²¹

In addition to this, *Peking Review* reports that "in Dnieprodzerzhinsk, the Ukraine, over 10,000 demonstrators attacked the regional Soviet, Party and government buildings and the State Security Committee building and tore up portraits of Brezhnev and others."²²

Of course, this kind of mass rebellion is still relatively rare in the Soviet Union. And these struggles, including the revolts of the oppressed nationalities, have often been led by bourgeois and reactionary elements who do not have the interests of the masses at heart. In Lithuania, for example, the Catholic church played an important role in the revolt. Nevertheless, these actions do reveal the anger of the masses and, despite their misleadership, have struck powerful blows against the social-imperialists. Rebellions like those at Novocherkassk, Chimkent, Chirchik and Kaunas are but a small taste of what the Soviet people have in store for their new tsars.

3) The Phony "Dissidents"

One brand of resistance widely publicized in the U.S. media is that of the so-called "dissident" intellectuals such as Alexander Solzhenitsyn, Andrei Sakharov, Roy and Zhores Medvedev and Andrei Amalrik. These "dissidents" have been hailed as the real internal opposition to the Soviet rulers. An alliance of blatant reactionaries, cold war liberals, Social Democrats and Trotskyites has celebrated them as representatives of "all that is finest in the Russian character." They are portrayed as heroes in the struggle for civil rights, fighters for the cause of humanity, and even, in the words of the Trotskyites, "the socialist opposition."

But who are these people? What do they stand for? What social forces do they really represent? The "dissidents" are, by and large, members of a "phony opposition" which has extremely marginal ties to the Soviet people and virtually no support among the working class. A disorganized and fragmented movement, the "dissident" forces represent a broad variety of reactionary, liberal and Social Democratic political viewpoints. They are united, however, by their opposition to Marxism-Leninism, their fear of the masses, hostility to China and to Stalin, and by their desire for an idealistically conceived form of capitalism without its most obvious outrages and abuses—especially those directed against the in-

telligentsia and other petty bourgeois strata.

At times members of this group do end up on the progressive side of things—for example, many criticized the social imperialists' criminal invasion of Czechoslovakia in 1968. It is important to recognize, however that these "dissidents" do *not* represent the revolutionary interests of the Soviet masses, and that the "dissident" movement offers only a dead end for the Soviet people. Only the complete restoration of rule by the working class through proletarian revolution can solve the problems facing the working class, the oppressed nationalities and other oppressed people of various strata in the Soviet Union.

This in fact is why the repression directed against the "dissidents" has been, despite all that is written in the U.S. bourgeois press, remarkably mild. Though some members of the "dissident" movement have suffered at the hands of the social-imperialists' police thugs, many more have gotten off quite lightly. While labor camps and prisons are filled with revolutionary workers, students and members of the oppressed nationalities, celebrated "dissidents" have been relatively free to speak out. When the social-imperialists finally cracked down on Solzhenitsyn, for example, his "fate" was merely to be forced to leave the country and retire to a Swiss villa on the over six million dollars in royalties his counter-revolutionary books have earned him in the West.

In a certain sense, the Soviet leaders need the "dissident" intellectuals. Isolated from the masses, advocating all sorts of reactionary policies hated by the vast majority of workers, the "dissident" movement offers a convenient scapegoat through which the social-imperialists can discredit all resistance. The "dissidents" have become the "official opposition" in fact if not in name.

The social base of the "dissident" movement is the intelligentsia. The intelligentsia is not a class in and of itself, occupying a position between the workers on the one hand and the Soviet bourgeoisie on the other. Though a majority of these intellectuals—at least in the Soviet Union—may *formally* work for wages, their isolation from production, the extremely individualized nature of their work, and their relatively privileged position in society make it clear that this is a petty bourgeois group.

Because of their peculiar social position, the intellectuals as a group tend to be suspicious of both the regime and the people. Though they often realize that only the masses have the power to really change things—in the words of one Soviet intellectual, "they have built this country with their backs and their hands."²³—they are, at the same time, fearful of the people, afraid of losing their own privileges. As one U.S. commentator noted, "It is probably legitimate to conclude that the intelligentsia knows little of the immediate problems facing the workers and peasants."

Since they are members of the petty bourgeoisie and since there is no strong workers' movement led by Communists, the intellectuals develop various forms of bourgeois ideology to guide their opposition.

Andrei Amalrik, author of the "dissident" manifesto, *Will the Soviet Union Survive Until 1984?* has stated that "over the course of the last fifteen years at least three ideological viewpoints on which opposition is founded have begun to crystallize. They are 'genuine Marxism-Leninism', 'Christian ideology' and 'liberal ideology'." ²⁴

Amalrik offers no concrete evidence supporting the real existence of a "genuine Marxist-Leninist" opposition, and as he himself is certainly no Marxist, it is doubtful whether his views on this matter are credible. From our research, the one man generally mentioned as part of this group, General Peter Grigorenko, is more a progressive left-liberal whose political philosophy bears little resemblance to revolutionary Marxism-Leninism. (Though Grigorenko, like many Soviet liberals, is forced to disguise his politics with Marxist-Leninist phraseology.) We know that genuine Marxist-Leninists do exist in the Soviet Union and that these comrades are waging a difficult struggle in a complex and dangerous situation. But we seriously doubt the appropriateness of classifying such heroic fighters as a trend within the "dissident" movement.

However, Amalrik's categorization of the other two tendencies does seem substantially correct. These are the two main trends of thought characterizing the "dissident" movement today. The essence of the "liberal" program was first expounded in 1970 by Andrei Sakharov, V.F. Turchin and Roy Medvedev in their "Appeal of Soviet Scientists to the Party-Government Leaders of the USSR." ²⁵ This work was a manifesto of the liberal movement offering a developed critique of Soviet society and a program calling for "gradual democratization."

The program is typical of liberal programs everywhere. The authors call for the gradual establishment of a political system patterned along bourgeois parliamentary lines. They call for the institution of greater facilities for "qualified experts" to exchange ideas and competitively innovate. They firmly oppose all mass involvement not controlled or guided by experts. Specifically demanded are measures for the "wide-scale organization of complex production combines (firms) endowed with a large measure of independence in questions of production planning, technological processes, sales and supplies, financial and personnel matters", (in other words, a little more competitive capitalism, please); the establishment of a "public opinion research institute" (to better manipulate the masses); and "improvement of the training of leaders in the art of management ... Improvement in the information available to leaders at all levels, their rights to

autonomy, to experiment, to defend and test their opinions in practice." (Unshackle the managers—full democracy for the lower level bourgeoisie and petty bourgeoisie!) ²⁶

The reformist and elitist bias of the liberal program was further emphasized by Sakharov, who has become the outstanding spokesman for this trend, in an autobiographical essay dated December 31, 1973 and published in *The New York Review of Books*. In this piece Sakharov summed up political philosophy: "What we need is the systematic defense of human rights and ideals and not a political struggle, which would inevitably incite people to violence, sectarianism and frenzy. I am convinced that only in this way, provided there is the broadest possible public disclosures, will the West be able to recognize the nature of our society; and that then this struggle will become part of a world-wide movement for the salvation of all mankind." ²⁷

In foreign relations, the liberal position generally supports social-imperialist policy. Though many drew the line at the military invasion of a supposedly friendly "socialist" ally, Czechoslovakia, the liberals continue to argue that "Soviet foreign policy is at base one of peace and cooperation." ²⁸ They are encouraged by talk of "detente", though Sakharov warns against "the hidden dangers of a false detente, a collusive detente, or a capitulation detente." In their 1970 Appeal, the liberals echo Khrushchev in stating that "the only realistic policy in the age of thermonuclear weapons is one leading towards greater international cooperation, the obstinate search for lines of possible convergence in the scientific, technological, economic, cultural and ideological fields ..."

"Dissidents" of all varieties are most strongly in agreement with Brezhnev & Co. on the question of China. One British observer of the "dissident" scene has remarked that "otherwise sane and rational Russian intellectuals tend to grow vague and emotional on the subject of China and to indulge in extravagant flights of imagination." He described one encounter he had with a young artist who demanded to know what the West would do about China. "Don't you know they're going to overrun Siberia?" the artist said. "And when they've done that they'll advance on Europe? It will be the Dark Ages all over again. Surely the West will be on our side? Surely they will come to the defense of the white race against the yellow? The white race must stick together." ²⁹

Certainly not all the "dissidents" see the conflict in such stridently racist terms, though such an attitude is definitely cultivated by the official Soviet press. Nevertheless, the 1970 liberal Appeal notes that "It is especially vital to shore up the moral and material positions of the USSR vis-a-vis China." The liberals argue that "the danger from Chinese totalitarian nationalism, though it

can be seen as only temporary in its historical context, will nevertheless be very serious in the coming years. We can counter this danger only by increasing or, at least, maintaining the present technological and economic gap between our country and China, by increasing the number of our friends throughout the world, and by offering the Chinese people the alternative of cooperation and aid." ³⁰ We can only ask what kind of "cooperation and aid" will serve to increase the technological and economic gap between the Soviet Union and China?

According to Amalrik, "Supporters of 'Christian Ideology' maintain that the life of society must return to Christian moral principles, which are interpreted in a somewhat Slavophile spirit, with a claim for a special role for Russia." ³¹ More a political doctrine than a religious philosophy, this trend was the inspiration behind the pseudo-fascist All-Russian Social-Christian Union, a semi-underground group. Though Solzhenitsyn can, in some respects, be categorized as a follower of this ideology, in its purest form the new Christian Slavophilism (a racist philosophy of Great Russian ethnic pride first formulated by extreme reactionaries in the 19th century) is a secondary trend in the "dissident" movement. It manifests itself principally in silly appeals for universal "salvation" and spiritual regeneration, often along "racial" or national lines.

However, this type of thinking—particularly in its more mystical and nationalistic forms—is openly encouraged by the social-imperialists and its influence is growing in both the "dissident" movement and the state bureaucracy. According to many sources, followers of this trend can be found high in the ranks of the security police. In the legal press the Slavophiles are influential in the magazines *Ogonyok* and *Molodaia Gvardiia* and in the literary weekly *Literaturnaia Rossiia*. These intellectuals were firm supporters of the Czechoslovak invasion. As one put it, "They (the Czechs) just had to be taught a lesson and shown that they couldn't get away with it." ³²

The most extreme forms of Christian Slavophilism, however, still appear only in the illegal "dissident" press, but even this is actually encouraged by the regime to make the social-imperialists' phony "internationalism" look good by comparison, while also creating public opinion for Great Russian chauvinism. Though most liberal and nearly all underground revolutionary papers are quickly suppressed by the authorities, the recent Christian journal *Veche* has already printed more than five issues containing all sorts of mystical, racist and anti-semitic trash with only token interference. ³³

One widely circulated underground document, "A Nation Speaks", takes the cake for neofascist vulgarity. This manifesto declares the nation the basis of all things. It is "a special spiritual community whose distinctiveness has a deep mystical sense" and whose determining factor is "a racial type." The document calls on the U.S. and USSR

to cooperate "to save the white race from the onslaught of the yellow." In doing this the basis of unity must be spiritual because "a schism exists between the servants of God and of Satan." Satan, the document says, carries on "his corrupting activity...preaching egalitarianism and cosmopolitanism—an ideology of the Jewish diaspora—thereby aggravating the process of universal blood-mixing and degradation." ³⁴

Reading this and knowing that its publication is passively encouraged by the Soviet leadership as a kind of "opposition press", all genuine communists and progressive forces are moved to even deeper hatred for the traitorous Soviet rulers, who are spitting on the memory of the more than 20 million heroic Soviet citizens who gave their lives fighting under the leadership of Stalin against just such Hitlerite racist scum.

One man who has come to stand above all tendencies in the "dissident" movement is Solzhenitsyn, easily the most famous of all the "dissident" intellectuals. Solzhenitsyn has been portrayed in the bourgeois media as one of the great champions of human freedom in the world today. The Trotskyite Socialist Workers Party has even hailed his "firm commitment to socialism." But of all the more well known "dissidents", Solzhenitsyn is probably one of the most reactionary. As we put it in the April 1974 issue of *Revolution*, he is merely a lover of the old tsars who has failed to make his peace with the new.

Solzhenitsyn's "literary" career began with publication of his reactionary novel, *One Day in the Life of Ivan Denisovich*. This book was touted as an "exposé" of the labor camp system of the 1930s and 1940s. A blatant attack on proletarian power as well as on Stalin's leadership, *Ivan Denisovich* is the only Solzhenitsyn work published legally in the Soviet Union because it won Khrushchev's personal endorsement as a weapon in the social-imperialists' vicious anti-Stalin campaign.

There is much confusion about the labor camps. To some, the mere existence of such camps is a sure sign that the workers' state is "degenerate" or "totalitarian." But socialism has never and will never be built under "ideal" conditions. The socialist state will always be faced with enemies, internal as well as foreign. The old exploiting classes never give up without a fight, and new bourgeois forces arise within the proletarian party and state themselves. And while it is certainly preferable to remold enemies where possible, the workers cannot, must not and do not flinch from the most severe application of punishment where such punishment is called for.

The camps of the 30s and 40s combined elements of rehabilitation and punishment. Prisoners sentenced to terms in the camps came mainly from the privileged sections of society. Solzhenitsyn himself, for example, was an army officer who had fomented "dissent" among the troops at the height of the Nazi invasion. In a classically petty bourgeois individualist fashion,

he put his own private "disillusionment" above the pressing need to defeat the Nazi horde.

Life in the camps was certainly harsh, but not much more so than the life of the average peasant in Siberia at the time. And during the war, the period about which Solzhenitsyn wrote, conditions in the camps were certainly better than at the front where millions of heroic young soldiers were giving their lives in defense of socialism. In the camps inmates worked at essential productive labor, building up backward areas of the country and supplying the troops. The work was demanding and sacrifice was called for. But we ask: In those trying and difficult times, what Soviet worker was not called on to sacrifice for the good of all? As one irate Soviet citizen wrote to Solzhenitsyn about *Ivan Denisovich*, "Millions of Soviet people labor at felling timber and sing the praises of this form of toil, but the heroes of this story regard it with fear."³⁵

Were there excesses and unnecessary brutality associated with the camps? Yes. Were guards often poorly chosen and sadistic? Sometimes. Were some innocent people sentenced? Yes. But these excesses, many of which were recognized at the time, do not change the fact that these camps were a necessary measure taken by the workers' state in its own defense. Communists must certainly learn from the mistakes made—and this has been done—but we will not opportunistically dissociate ourselves from what was a correct and necessary policy.

And here we should distinguish the attitude of Solzhenitsyn from that of the *truly* innocent people who were sentenced. As one former camp official pointed out in a letter to Solzhenitsyn, "Not one of those who were unjustly punished ever blamed comrade Stalin for his misfortunes—the thought did not even occur to them. This is the watershed dividing those who suffered while innocent and the real criminals. The latter, as a rule, abused both Soviet power and Stalin."

On this score, too, we should contrast the behavior of Solzhenitsyn with that of Anna Louise Strong. Until her death in Peking in 1970, Anna Louise Strong was a dedicated fighter for the working class and the cause of socialism. Born and raised in the U.S., she spent many years in the Soviet Union and China during the 20s, 30s and 40s, after joining the communist movement. Her writings were an important contribution to bringing the truth about Soviet power to the American people and the people of the world.

Yet, in 1949 Anna Louise Strong was unjustly expelled from the Soviet Union as a spy. For six years she was treated as a traitor and scab by communists everywhere. Friends of decades would no longer speak to her. Yet she steadfastly refused to abandon the revolutionary stand of the proletariat. Though given many opportunities to speak out against the Soviet Union and socialism by the bourgeoisie—who surely would

have paid well for such a "confession"—she would not be swayed. She was thus forced to bear the brunt of bourgeois repression, too, for this was the McCarthy era when the U.S. rulers were viciously attacking communists and the people's movement.

Finally, in 1955, Anna Louise Strong was cleared of the phony charges against her and shortly thereafter Khrushchev launched his attack on Stalin. It would have been easy for her to join in the chorus of anti-Stalin voices at the time. No doubt the revisionist leadership of the Soviet Union would have rewarded her amply had she blamed her own suffering on the "evils" of Stalin. But displaying that "largeness of mind" which befits a true communist, Anna Louise Strong instead responded to Khrushchev with a book, *The Stalin Era*, which countered Khrushchev's charges and defended Stalin's leadership. This book made an important contribution to the development of a real communist position on the question of Stalin and it remains valuable to this day.

Solzhenitsyn's behavior is, of course, in no way comparable.

After the ousting of Khrushchev by Brezhnev and Kosygin, the social-imperialists decided to tone down their anti-Stalin campaign. Solzhenitsyn's writings were no longer useful to them. Some of the revisionist hacks associated with the attacks on Stalin—Yevtushenko, for example—quietly changed their tune and were rewarded with fat salaries.

Solzhenitsyn, however, remained unsatisfied, and for the past ten years he has continued to produce works attacking the former workers' state. Not limiting himself to slinging mud at Stalin, he has most recently, in his counter-revolutionary "magnum opus", *The Gulag Archipelago, 1918-1956*, turned his attacks on Lenin as well. According to Solzhenitsyn, it was a bad thing that the October Revolution even took place! In his *August 1914*, he openly mourns for the "cultured" high life of pre-revolutionary days. And in *The Gulag Archipelago*, his "heroes" include men such as Vlasov, a Soviet officer who defected to the Nazis, and two army officers "unjustly" imprisoned for the "petty" crime of rape.³⁶

But Solzhenitsyn is not just a man obsessed with the past. If he was, he could never have become the kind of figure he is today. For the U.S. bourgeoisie, Solzhenitsyn can be used to represent "proof" that "communism does not work." And the social-imperialists use him to teach that opposition to their rule can only be "reactionary."

Indeed, Solzhenitsyn has allied himself with the most openly reactionary forces in the world. In his speech nominating Sakharov for the Nobel Peace Prize, Solzhenitsyn attacked the National Liberation Front for "bestial mass killings" which have been "reliably proved", while speaking not a word against the genocidal attacks and unspeakable atrocities committed by the U.S. im-

perialists against the heroic Vietnamese people.³⁷

In this same statement, Solzhenitsyn lashed out at progressive forces throughout the world for not paying enough attention to the Soviet "dissidents." "Could, say, the Republic of South Africa," he asks, "without being penalized ever be expected to detain and torture a black leader for four years as General Grigorenko has been! The storm of world-wide rage would have long ago swept the roof from that prison."³⁸

In response to this incredible statement, the Black writer Lloyd Brown points out that "Liberal outcry has made Solzhenitsyn's name a household word in our country, where the name and plight of Alex La Guma, the repressed Black South African writer, is quite unknown." Brown goes on to note that the same issue of *The N.Y. Times* which prominently carried a report of Solzhenitsyn's speech on page three, buried on the back pages the story of eleven Black miners murdered by troops in South Africa.³⁹

Of course, as a *de facto* foreign agent openly representing the interests of U.S. and West European imperialism within the borders of the Soviet Union, Solzhenitsyn was a kind of threat to the social-imperialists and that is why they expelled him. But to claim, as does the Trotskyite Socialist Workers Party, that the "overall impact of Solzhenitsyn's works is entirely on the side of human progress because they are such a powerful reflection of the resistance to Stalinism",⁴⁰ is like hailing such former "anti-Stalinists" as Franco, Mussolini and Hitler as friends of "progress." This shows clearly how the Trotskyites' hatred for socialism and for the dictatorship of the proletariat is far greater than their supposed hatred for the bourgeoisie. Solzhenitsyn may be an enemy of the social-imperialists but, like the U.S. imperialists, this hardly makes him a friend of the Soviet people.

4) Toward a New October

Behind all the publicity given the big name "dissidents" like Solzhenitsyn stand a growing number of genuinely revolutionary intellectuals and others who have picked up the banner of

Lenin, Stalin and the Bolsheviks, and who have come to see that without a mass revolutionary workers' movement and revolutionary Party, no real change can occur in the Soviet Union. These intellectuals have joined with real communists, workers and revolutionary cadres in taking the path of struggle.

Of course, given the fascist nature of social-imperialist rule, and given the fact that the U.S. and West European bourgeoisies are not about to give publicity to them the way they give it to the likes of Solzhenitsyn, it is hard to find out anything very specific about these individuals and groups. And at the same time, the transformation of the CPSU from proletarian vanguard into a fascist party of the Soviet bourgeoisie means that these revolutionary individuals and groups are operating under extremely difficult circumstances and do not have the freedom of the "dissidents" to speak out and make their views known.

Still, enough information has leaked out so that there is no question about the existence of a genuine Marxist-Leninist opposition. Among their ranks are militant workers who have come forward to fight for their class and all the oppressed Soviet people. Others are former cadres and officials who have remained loyal to the proletariat. In the late 1960s, one group, The League of Revolutionary Soviet Communists (Bolsheviks), issued an 80-page manifesto calling on all honest Soviet communists to take the path of revolution and, from scattered collectives, rebuild a new, revolutionary Bolshevik Party. We don't know much about this group, beyond its manifesto, nor what its fate has been since then. But it is clear that despite all the dangers and difficulties, genuine Marxist-Leninist forces are developing in the Soviet Union and have declared a class war to the end against the social-imperialists.

The Russian people have a long and glorious history of struggle against all oppressors, and these new revolutionary groups, while small now, are bound to grow and a new revolutionary Communist Party will surely be created. The Soviet people will overthrow their new tsars. A new October Revolution is inevitable!

1. *Peking Review*, January 25, 1974.

2. *Peking Review*, January 25, 1974.

3. *Peking Review*, January 25, 1974.

4. *New York Times*, April 21, 1970.

5. *New York Times*, April 21, 1970.

6. *Izvestia*, January 26, 1972.

7. *Pravda*, March 29, 1972.

8. *Pravda*, August 19, 1971.

9. *New York Times*, May 21, 1972.

10. *Izvestia*, December 2, 1973.

11. *New York Times*, March 5, 1973.

12. *New York Times*, March 5, 1973.

13. *New York Times*, April 9, 1967.

14. *New York Times*, April 6, 1969.

15. *New York Times*, March 5, 1973.

16. *Peking Review*, January 25, 1974.

17. *Peking Review*, January 25, 1974.

18. The following account is taken from the journal *Critique*, #2 which published the Kiev workers' protest in full.

19. Peter Reddaway, ed., *Uncensored Russia*, London, 1972, pp. 211-213.

20. *New York Times*, May 4, 1968.

21. *New York Times*, May 22, 1972.

22. *Peking Review*, January 25, 1974.

23. Quoted in J. Harris, "The Dilemma of Dissidence", *Survey*, Winter 1971, p. 108.

24. Andrei Amalrik, *Will the Soviet Union Survive Until 1984?*, p. 11.

25. Published in *Survey*, Summer, 1970.

26. Same Source, p. 166-7.

27. *New York Review of Books*, January 1974.

28. *Survey*, Summer 1970, p. 168.

29. Michael Scammell, "Soviet Intellectuals Soldier On", *Survey*, Winter 1971, p. 99.

30. *Survey*, Summer 1970.

31. Amalrik, p. 12.

32. Harris, "The Dilemma of Dissidence"

33. For an extensive excerpt from Vech's platform see Dimitry Pospelovsky, "The Resurgence of Russian Nationalism in *Samizdat*", *Survey*, Winter 1973.
34. Quoted in Pospelovsky.
35. "Soviet Readers Respond to *Ivan Denisovich*", *Survey*, Autumn 1968.
36. Alexander Solzhenitsyn, *The Gulag Archipelago*.
37. *New York Times*, September 17, 1973.
38. Same Source.
39. *New York Times*, September 19, 1973.
40. Quoted by Irwin Silber in the *Guardian*, October 3, 1973.



Soviet social – imperialists invading Czechoslovakia in 1968

VII. THE CULTURAL REVOLUTION AND THE CLASS STRUGGLE UNDER SOCIALISM

In examining the degeneration of the Soviet Union, the two principal classes of modern society—the bourgeoisie and the proletariat—have two entirely opposite summations. The summation of the bourgeoisie, which it promotes in a thousand ways, is, of course, not based on Marxism and scientific class analysis. The bourgeoisie does not explain what is happening in the Soviet Union today on the basis of capitalism having been restored through a process of acute and complicated class struggle, but instead dishes up its favorite line that socialism is “impractical”, that it is suited only for “backward” countries, that it is not viable once modern industry is established, that sooner or later it ends up the same as capitalism, etc., etc.

According to the bourgeoisie, when people are poor and desperate they may support revolution even if it takes away their “freedom”—by which the bourgeoisie means the “freedom” to be exploited and oppressed! But once people achieve a certain standard of living they become disinterested in revolution and only concerned with consumer goods; they get “tired” of the “same old communist propaganda” and want the culture and politics of capitalism—an “eternal” system, according to the bourgeoisie. Further, when their party is in power revolutionary leaders become conservative, cannot resist the temptation to be big shots, and inevitably become new oppressors lording it over the people. So argue the bourgeoisie and their ideological hacks. They point to the experience of the Soviet Union as proof of all this, and of their “theory of human nature”, which holds, like Christianity with its doctrine of original sin, that human beings are essentially self-centered, and will always act out of their most narrow selfish interests, which must be “arbitrated” through the operation of the capitalist market.

But the proletariat and its Marxist-Leninist leadership draw exactly the opposite conclusion. Far from concluding that mankind will never reach a higher form of society — communism— in which classes, exploitation and oppression, and material want will be relegated to the history books, we examine the profound negative example of the restoration of capitalism in the Soviet Union in order to better learn *how* to wage the class struggle in all its forms against the

bourgeoisie, in order to progress from the barbaric and outmoded capitalist system to the lofty goal of communism.

And while the experience of the Soviet Union is a negative example from which we must learn, there is also historical experience of the class struggle under socialism which is providing the answer of how to prevent capitalist restoration and continue along the socialist road toward communism. For it is precisely these questions that are at the heart of China's Great Proletarian Cultural Revolution.

The Cultural Revolution was, in essence, a struggle between the proletariat and the bourgeoisie to determine whether China would continue to advance on the socialist road, or be turned back onto the capitalist road—which, under the still relatively backward conditions of China would mean that it would be reduced to a semi-colony of imperialism, in particular Soviet social-imperialism, and semi-feudal relations would re-emerge in China's countryside. The Cultural Revolution was the most profound example in the history of the world communist movement of, in Mao's words, “continuing the revolution under the dictatorship of the proletariat.”

It was a mass struggle of hundreds of millions initiated and led by Mao Tsetung and other revolutionary leaders of the Chinese Communist Party, on the basis of summing up the experience of the dictatorship of the proletariat and its subversion and destruction in the Soviet Union, and the experience of class struggle in China since liberation in 1949. So much for the bourgeois theory that the masses can't continue to make revolution and that revolutionary leaders *inevitably* become corrupt, conservative overlords.

The theoretical basis for leading the Cultural Revolution came from the application of dialectical materialism, especially the fundamental law of the unity of opposites (contradiction) to the experience of socialist society. A fierce class struggle has raged in China ever since 1949, when the contradiction between the proletariat and the bourgeoisie came to the fore as the principal contradiction.

Following the country-wide seizure of power, immense tasks faced the Chinese people and the Communist Party in building socialism. The pro-

ductive forces were extremely backward, and China possessed little industry. It proved even more necessary in China than in Russia following the seizure of power to make use of petty bourgeois and even bourgeois elements from the old society. This was further complicated by the fact that the first stage of the Chinese revolution did not immediately aim at socialism, but was directed against imperialism, feudalism and bureaucrat capitalism (the big capitalists who were tied in with the imperialists and used the state apparatus as a means of accumulating capital).

In this struggle the national bourgeoisie, or sections of it—those capitalists not completely tied to the imperialists—sided with the masses of people, because of the objective contradictions they faced with imperialism and feudalism. As soon as power was seized the struggle between the proletariat and the bourgeoisie centered around the question of whether China would carry through the revolution to the socialist stage, or would instead pass through an extended period of capitalism. The latter path was advocated by Liu Shao-chi, with his line that "exploitation is a merit."

The revolutionary line of Mao Tsetung, which called for immediately embarking on the socialist revolution, won out, and by 1956 the transition to socialist ownership of the means of production had been essentially completed insofar as the cities and the industrial enterprises were concerned. At that point Liu Shao-chi tried to subvert socialism and disarm the proletariat and the Communist Party by declaring that "in China the question of which wins out, socialism or capitalism, is already solved." In putting forward this revisionist line, Liu was aided by the fact that in the same year Khrushchev came to power and launched his frenzied attack on Marxism-Leninism at the 20th Party Congress in the Soviet Union, stabbing the entire international communist movement in the back and throwing it into great turmoil and confusion.

Only a year later, in 1957, following the basic transformation of the Chinese economy along socialist lines, and under conditions where revisionism occupied a powerful position throughout the international communist movement, Mao Tsetung wrote his famous work, *On the Correct Handling of Contradictions Among the People*, in which he argued that classes, class contradiction and class struggle continue to exist under socialism. He pointed out that two types of contradictions exist—those between the people and the enemy (deposed landlords, sections of the capitalists, and counter-revolutionaries), and contradictions among the people—for example, between the workers and peasants, between the leaders and the masses, etc. He stressed that these non-antagonistic contradictions within the ranks of the people can develop into antagonistic contradictions if they are not handled properly.

Even more significantly, Mao wrote that, "The basic contradictions in socialist society are still

those between the relations of production and the productive forces and between the superstructure and the economic base."

"Socialist relations of production have been established and are in harmony with the growth of the productive forces, but they are still far from perfect, and this imperfection stands in contradiction to the growth of the productive forces. Apart from harmony as well as contradiction between the relations of production and the productive forces, there is harmony as well as contradiction between the superstructure and the economic base. The superstructure, consisting of the state system and the laws of the people's democratic dictatorship and the socialist ideology guided by Marxism-Leninism, plays a positive role in facilitating the victory of socialist transformation and the establishment of the socialist organization of labor; it is suited to the socialist economic base, that is, to the socialist relations of production. But survivals of bourgeois ideology, certain bureaucratic ways of doing things in our state organs and defects in certain links in our state institutions are in contradiction with the socialist economic base." (emphasis added)

Later in the same work Mao wrote,

"The class struggle is by no means over. The class struggle between the proletariat and the bourgeoisie, the class struggle between different political forces, and the class struggle in the ideological field between the proletariat and the bourgeoisie will continue to be long and tortuous and at times even become very acute. The proletariat seeks to transform the world according to its own world outlook, and so does the bourgeoisie. In this respect the question of which will win out, socialism or capitalism, is still not really settled." (emphasis added)

Thus, Mao directly refuted the revisionists, and indicated the general course for the transition period of socialism, between capitalism and communism—pointing to the danger of capitalist restoration and the need to continue the revolution under the dictatorship of the proletariat, throughout the socialist period.

The period from 1957 until the Cultural Revolution was marked by sharp class struggle in China, and by many twists and turns in the Chinese Revolution. For example, in 1957 many bourgeois rightists took advantage of Mao's call to "let a hundred flowers blossom, let a hundred schools of thought contend" to launch an all-out attack on the Communist Party, the dictatorship of the proletariat and socialism. They advocated "liberalization"—in other words, a return to capitalism.

1958 and 1959 were the years of the Great Leap Forward when the Chinese people consolidated and expanded the system of collective ownership in the countryside by establishing People's Communes, and also made great strides

in developing industry, including small-scale and diversified enterprises throughout the country. But, like every significant advance of the proletariat in the class struggle, the Great Leap Forward called forth desperate resistance and sabotage by rightists and counter-revolutionaries in the Soviet Union, in China and within the Chinese Communist Party itself.

These reactionaries seized on the fact that the Great Leap Forward, like all truly powerful social movements, inevitably caused certain temporary dislocations in the Chinese economy, which in 1959-61 were combined with a series of natural disasters, including drought and flooding, seriously undermining agricultural output. The revisionists within the Chinese Communist Party jumped on this to slander and attack the Great Leap Forward.

The Khrushchev revisionists in the Soviet Union did their utmost to compound the difficulties and support their counterparts in China by withdrawing all Soviet aid and recalling thousands of technical personnel, who had been assisting in the development of Chinese industry. This was done suddenly, without warning and in one fell swoop. Not only were the technicians recalled, but they took blueprints and plans with them. The Soviet revisionists hoped to use economic blackmail to force the Chinese to submit to the counter-revolutionary line being pushed from Moscow, and to sabotage the general line of the Chinese Party for building socialism, formulated by Mao Tsetung, as "Going all out, aiming high and achieving greater, faster, better and more economical results in building socialism."

During and after the three difficult years 1959-61, the revisionist forces in the Chinese Communist Party, led by Liu Shao-chi, worked feverishly to drag China onto the capitalist road. Under the guise of developing production, these rightists encouraged and promoted many of the methods and policies endorsed and encouraged by the Soviet revisionists. In the factories the system of bonuses, piece work, etc. became very widespread, reliance was placed on "material incentives", and in many instances control was left almost entirely in the hands of factory directors and technical personnel. Corruption was not unheard of, and corrupt factory officials sought, and often received, protection from higher authorities in Liu's "political machine."

The bourgeois elements paid special attention to worming their way into the critical sphere of the superstructure—the schools, the press, literary and artistic circles—where they would be in a position to hinder the development and dissemination of the proletarian world view and in its place spread bourgeois ideology. Mao often pointed out that any class wanting to seize power first had to "create public opinion", and this is precisely what the capitalist roaders were doing at an ever-increasing rate.

Mao waged sharp criticism of the Ministry of Culture, which was dominated by the revisionists

under the leadership of Liu. Mao said that "If it refuses to change, it should be renamed the Ministry of Emperors, Kings, Generals and Ministers, the Ministry of Talents and Beauties or the Ministry of Foreign Mummies"! He also said that the Ministry of Health should be renamed the "Ministry of Health for Urban Overlords."

The immediate forerunner of the Cultural Revolution was the Socialist Education Movement which began in 1963 under Mao's leadership. During this struggle Liu Shao-chi did his best to suppress the movement of the masses and to actually direct the focus of the struggle against Mao's line and the proletariat. At a meeting of the Central Committee at the end of 1964, which summed up the direction of the Socialist Education Movement, Mao wrote that "The main target of the present movement is those Party persons in power taking the capitalist road." Thus, for the first time, Mao bluntly indicated that the main target was not merely the ex-landlords or old capitalists, but precisely bourgeois forces within the Communist Party and especially in its leadership, who were attempting a capitalist restoration.

It became crystal clear to Mao and the revolutionaries in the Chinese Communist Party that the Chinese Revolution was reaching a critical juncture and that if something wasn't done the capitalist roaders would inevitably seize power. As Mao wrote in 1963, if the Party did not pay attention to class struggle, "then it would not be long, perhaps only several years or a decade, or several decades at most, before a counter-revolutionary restoration on a national scale would inevitably occur . . ."

Of course, the class struggle between the proletariat and the bourgeoisie had been very sharp in China since Liberation, and in that sense the Cultural Revolution was nothing new. But previous struggles had not been adequate to prevent bourgeois forces in China from gaining increasing positions of power within the Party and state. Essentially, the previous struggles between two lines in the Chinese Communist Party had been resolved by dismissing the capitalist roaders from their posts. Often this had been accompanied by attempts at involving the participation of the masses through mass meetings, demonstrations and the like. But, as in the Soviet Union under Stalin, the suppression of capitalist elements had never been conducted *primarily by the masses themselves*, even though this had been combined with education among the masses and had their support.

As we have seen in earlier chapters dealing with the class struggle under socialism in the Soviet Union, the method of handling the fight against capitalist roaders mainly "from above", failed to temper the working class and the masses of people in the heat of battle and to fully combat one of the main pillars of bourgeois ideology—that the masses cannot take matters into their own hands, but must rely on a few "saviors" and "geniuses" to solve their problems,

and protect their interests.

While struggle "at the top" succeeded in eliminating certain individual counter-revolutionaries who posed an immediate threat to proletarian rule and socialism, it did not thoroughly enable the masses of people to learn through their own experience in struggle—guided by a Marxist-Leninist line and leadership—what the essence of the ideological and political line of these reactionaries was. Also it did not solve the problem of training revolutionary successors for the proletariat, as Mao puts it. So, in the Soviet Union, once a leader of Stalin's stature and prestige died, the capitalist elements were able to seize power through a coup, and then it was they and not the proletarian revolutionaries who were able to use the official apparatus of the Party and state—to suppress revolutionaries.

Early in the course of the Cultural Revolution (February 1967), Mao wrote, "In the past we waged struggles in rural areas, in factories, in the cultural field, and we carried out the socialist education movement. But all this failed to solve the problem because we did not find a form, a method, to arouse the broad masses to expose our dark aspect openly, in an all-around way and from below." The Cultural Revolution was that form and method.

It began in 1966 with a vigorous struggle to transform Peking Opera, symphonic music, and ballet which had changed very little during the period of socialism and still essentially reflected the bourgeois and feudal outlook of the old exploiting classes. On May 16, 1966, the Central Committee of the Chinese Communist Party published a "Circular" drawn up under Mao's personal guidance which set the general line for the Cultural revolution. The Circular called for the unfolding of a vigorous struggle against bourgeois academic authorities, and to repudiate bourgeois ideas in the realm of education, literature and art.

In this Circular Mao points out that "To achieve this it is at the same time necessary to criticize and repudiate those representatives of the bourgeoisie who have sneaked into the party, the government, the army and all spheres of culture Some are still trusted by us and are being trained as successors, persons like Khrushchev, for example, who are still nestling beside us." Thus, the Cultural Revolution was, from the first, not simply a movement to criticize bourgeois ideology and bourgeois representatives in the field of culture, education, etc., but a revolutionary struggle directed at overthrowing people in high places in the Party and state who had actually entrenched themselves in power in many spheres of society—though they had not yet seized control of the whole state apparatus and actually begun restoring capitalism.

In August 1966, a woman student at Peking University put up a big character poster criticizing the director of the school and accusing him of following the capitalist road. Not many days

later the poster came to the attention of Mao, who had it published in the daily press. By the next morning the walls of Peking University were covered with posters criticizing the bourgeois line in education, and struggling out different ideas. In a very short time such posters could be seen all over China, in every school, factory, commune and institution.

In addition to the big character posters, huge debates took place in which the burning questions of the Cultural Revolution were battled out. Officials, some of whom were actually counter-revolutionaries and others of whom were honest but had made serious mistakes and fallen under revisionist influence, were called before mass meetings and forced to answer to the criticisms of the people.

Millions of revolutionary young people came to Peking where they were greeted by Mao himself and encouraged to continue making revolution. "It is right to rebel against reactionaries," Mao told these "Red Guards", and this became a rallying cry of the Cultural Revolution. The Cultural Revolution was not a "clever scheme" by Mao to axe his rivals in Party leadership, as the bourgeois "scholars" slander, but a means of unleashing the power of the masses, of enabling them to strike back at the abuses and reactionary policies of the revisionists that were oppressing them, and to smash the "headquarters" of these renegades who were attempting to restore capitalism.

For a period of time the face of China was marked by tremendous upheaval. Virtually every cadre of the Communist Party, at all levels, came under the closest scrutiny of the masses. Every aspect of society was criticized and struggled over. Formal education came to a standstill, and in many places production was disrupted for certain periods. The agents of the bourgeoisie, once the fire came close to them, attempted to split the masses into hostile organizations and direct the attention of the masses against each other, and in some cases honest revolutionaries were wrongly accused of being counter-revolutionaries.

The revisionists clamored that things were getting out of hand, just as reactionary forces always do when the masses rise up in struggle. But, as Mao had written about the peasant uprising in Hunan Province 40 years earlier,

"Proper limits have to be exceeded in order to right a wrong, or else the wrong cannot be righted. Those who talk about the peasants 'going too far' seem at first to be different from those who say 'it's terrible!' as mentioned earlier, but in essence they proceed from the same standpoint and likewise voice a landlord theory that upholds the interests of the privileged classes."

Even some honest but misguided people were temporarily sucked into the line that "it's terrible!", that the Cultural revolution was "going too far." In the midst of all this turmoil, however, Mao and

the proletarian Headquarters in the Party summed up that the situation in China had never before been so excellent! The fierce struggle, the twists and turns of the movement, became one of the greatest schools of Marxism-Leninism the world has ever seen.

In January, 1967, the struggle reached a new stage when revolutionaries in Shanghai built an alliance of revolutionary mass organizations, the People's Liberation Army, and the revolutionary cadres of the Party to seize power from the Shanghai Municipal Party Committee which had been dominated by capitalist roaders. For the first time in the history of the socialist system, the masses of people had overthrown part of the state apparatus which no longer served socialism, by direct action and from below! Mao and the Central Committee summed up the experience of the January Uprising in Shanghai and called on revolutionaries to unite to seize power throughout China and regain control of all institutions usurped by the capitalist roaders.

Following the seizure of power by the masses in those institutions in which the proletariat had lost power, and developing concurrently with the movement to seize power, was the process the Chinese refer to as "struggle, criticism, transformation"—the process of further revolutionizing the relations of production to more fully correspond to the forces of production and transforming the superstructure to more fully reflect the socialist economic base. This process is still going on in China and will continue in different forms through many different struggles. Many of the questions of how to wage class struggle under socialism and prevent capitalist restoration are still unanswered by the Chinese experience, or answered only tentatively. Nevertheless, it is possible to see the tremendous changes which have taken place in China as a result of the Great Proletarian Cultural Revolution.

1. Education

The process of educating the youth plays a crucial role in any society. In bourgeois society education serves essentially to inculcate young people with the ideology of the bourgeoisie and to train them with the necessary skills and knowledge to serve the capitalists (though the kind of practical training differs according to the kind of "service"—in other words, it is different for different classes). Under the socialist system education must help train successors to the proletarian revolution as well as impart the knowledge and skills necessary to further develop the socialist economy and the productive forces.

When the country was liberated in 1949, China inherited its educational system from the old society. Until the Cultural Revolution, education, especially higher education, remained much the same as it had been before Liberation and in many ways was similar to education in Western capitalist society. Entrance to the universities was

determined by exams, a practice which, as in our country, effectively eliminated the vast majority of the sons and daughters of working people.

The universities themselves were dominated by bourgeois "authorities" who did their best to make schooling more complicated than it needed to be, stressed bourgeois ideas of trying to make a "career" for oneself, and generally separated theory from practice—that is separated science from production, and social science from class struggle. Professors who had rarely, if ever, seen the inside of a steel plant, and who certainly had never labored there, lectured on the process of making steel. Teachers lectured on agriculture who (as it later turned out when they went to do work in the fields as a result of the Cultural Revolution) didn't know how to plant crops right side up.

In general, the faculty of the schools, despite the fact that many if not most sincerely supported the socialist system, carried on in the traditional bourgeois way. The system of education was completely out of whack with the new socialist order.

Students and young people generally played a crucial role in the Cultural Revolution as pathbreakers, daring to challenge reactionary bourgeois authorities. But the students, limited by their relationship to production and weaknesses in their ideological stand flowing from their position in society, were not able to complete the transformation of the educational system by themselves. And, in the final analysis, the revisionist line in education could be defeated only by mass struggle throughout society to rout the bourgeois headquarters.

At a certain point in the Cultural Revolution, Mao called on the workers, peasants and fighters in the People's Liberation Army (PLA) to take command of the schools. This was a key part of safeguarding and strengthening the dictatorship of the proletariat, and was a direct expression of the policy formulated by Mao in the call that "The working class must exercise leadership in everything."

One of the first tasks of the workers, peasants and PLA fighters in exercising leadership in the schools was to assist the students and revolutionary sections of the faculty in forging a revolutionary alliance and to put an end to the fierce battles going on within the ranks of the student rebels in many places (some of these battles, including ones that involved heavy physical combat, were later proven to have been instigated by counter-revolutionaries). Thirty thousand workers were rallied behind Mao's call to take control of the campus of Tsinghua University, a technical school near Peking, and to put an end to the state of warfare that existed there.

A number of workers were killed and many others wounded by students misled by counter-revolutionaries into fanatical factionalism. But the workers did not retaliate. Instead they won the students over, convincing them to put down their

arms and go over to the method of ideological struggle, by using this method themselves while actually ducking bullets and other weapons at times. This was a tremendously inspiring example of putting politics in command and a powerful demonstration of why the working class must exercise leadership in everything!

Once the working class had taken control at Tsinghua and other educational institutions, Mao called on representatives of the workers to stay permanently in the schools and help further revolutionize them. Since that time profound changes have taken place in China's educational system.

The old system of exams has been tossed out the window. Today, after completing middle school (high school), all young people in China go to work in the factories, on the communes, or in the army for a minimum of two years. Admission to universities is then based largely on the recommendation of one's fellow workers, who look at the applicant's attitude toward manual labor, his or her class stand and enthusiasm in building socialism as key standards to judge whether he or she will make a good choice for a university student. Students recommended and finally selected are those who their fellow workers and the Party feel will use their education to advance socialist revolution and not to build their individual careers.

The content of studies in the schools has also changed dramatically. The period of schooling has been shortened and the course matter simplified. Today the universities concentrate on science, engineering and technology, as well as the study of Marxism-Leninism-Mao Tsetung Thought, closely linked with practical struggle. Such things as philosophy, literature and art are also taught, but these subjects are no longer the private property of "educated" people alone. They have become the property of the entire Chinese people. The guiding principle of education is to link theory with practice, and to make further strides in overcoming the contradiction between mental and manual labor, while training skilled personnel to contribute to socialist construction and successors of the working class to continue making socialist revolution.

Now when students learn the science of fertilizing crops, for example, they learn by doing as well as studying. They do everything from the gathering of manure to working in chemical fertilizer plants. Thus, the knowledge they gain is all-sided and is directly linked with the needs and experiences of the workers and peasants in building socialism.

Not only are students for the universities now chosen from among the workers, peasants and soldiers, but other workers play a very important role in the class room. They are frequently invited to talk from their own experience on the scientific and technical subjects being studied, but even more than that to help revolutionize the thinking of the students by speaking to them about the class struggle, about the old society,

and by helping the students to grasp the fundamental principles and profound significance of Marxism-Leninism-Mao Tsetung Thought.

The relationship between students and teachers has also been radically changed. No longer are teachers the unquestioned rulers of the class room. Criticism and struggle among teachers and students has replaced blind obedience. This, too, is a product and reflection of the exercise of leadership by the working class in education and all spheres of society, of the breaking down, under this leadership, of the bourgeois structure of "authority", and reliance, in its place, on ideological and political line.

These great changes in education represent a decisive defeat for the bourgeoisie, and a great advance for the proletariat, in the class struggle, in the sphere of the superstructure, and in the relations of production—in dealing with the contradiction between mental and manual labor in particular. This in turn has pushed forward the development of the forces of production, spurring production and scientific experimentation. But these are only beginning steps and only an initial advance in the long and complicated class struggle to completely transform society and eventually wipe out the class contradictions resulting from capitalism.

2. The Relationship Between Town and Country

The division between the cities and the countryside is one of the major contradictions that has to be resolved in making the transition to communism. The cities in China today, as in the Soviet Union under Lenin and Stalin, are characterized by a more advanced mode of production and relations of production. The dominant form of socialist ownership in the cities is state ownership of industry, while in China's countryside socialist ownership is at a lower stage, collective ownership by the people's communes, which each own a part of the land and sell their products to the state—a form of commodity exchange.

Agriculture in China is still characterized by relatively backward forces of production; there is still little mechanization, though it is beginning to develop on a broader scale. To make the transition to full state ownership will require a long period of difficult struggle, to develop the productive forces in agriculture, build industry in the countryside, and strengthen the proletarian consciousness of the masses of peasants.

This can be done only in planned harmony with the development of industry in the cities and the raising of the class consciousness of the workers through the course of class struggle, the struggle for production and scientific experimentation. As we noted earlier, the complete transition to communism can only be carried through on the basis of overcoming the contradiction between the workers and peasants, as well as between town and country (and between mental and manual labor) so that everyone in society will

have become conscious communist-workers, and the basis of class division in society will have been eliminated.

The Cultural Revolution has provided a powerful impetus for further revolutionizing China's countryside for strengthening the worker-peasant alliance, and for making greater strides toward the eventual elimination of distinction between cities and the rural areas. An important part of this has been the policy of sending large numbers of young people in the cities to the countryside after they complete their middle school education. This has had at least three important effects.

First, it integrates these young people with the great masses of the Chinese people—approximately 80% of whom are still peasants—and links them closely with agricultural production, which is the basis of the economy (while industry is the leading factor)—agriculture provides raw materials and markets for industry, while industry supplies agriculture with the means of mechanization (all of this regulated by socialist planning, *not a capitalist market*).

Second, the influx of educated young people helps provide the countryside with people with basic technical training and therefore aids in mechanizing agriculture and building up industry in the countryside. And third, this policy helps to reverse the movement of population from the countryside to the cities, a characteristic of capitalism that will "spontaneously" persist under socialism unless consciously combatted with socialist planning and principles. In fact, until the Cultural Revolution this pattern did persist in China, but now the cities of China have a stable population, and in some cases have decreased in population, while population is growing at a planned rate in the countryside and the border regions.

Encouraging the development of small-scale industry on the people's communes had been a policy of the Communist Party since the period of the Great Leap Forward. But under the liberating influence of the Cultural Revolution, the process of building industry by relying on local initiative and utilizing local resources took great strides. Large numbers of factories have been set up in the rural areas, primarily to aid agriculture (fertilizer and pump factories, etc.), and to serve the needs of the peasants (for example, small textile plants).

The tremendous changes that have taken place in Chinese medicine, which never cease to amaze foreign visitors, have also had profound effects on China's countryside, and contribute to eventually overcoming the contradiction between town and country and between mental and manual labor. In addition to full scale doctors, huge numbers of what the Chinese call "barefoot doctors" have been trained to handle most of the health needs of the Chinese peasants, curing common illnesses, setting broken bones, disseminating birth control information, etc. And the

hospitals and clinics are more geared to meeting the needs of the peasants. At the same time, the university-trained doctors take part in production together with the peasants. In this way the bourgeois "division of labor" is attacked "from two sides"—peasants are trained as doctors, while doctors work in the fields and learn from the peasants.

3) Literature and Art

As pointed out earlier, one of the first targets of the Cultural Revolution was the field of literature and art. Many fields of art were virtually unchanged since before Liberation, including Peking Opera, symphonic music, the ballet, etc. Ancient themes and foreign bourgeois works and characters from the old exploiting classes dominated the stage. The counter-revolutionaries who had wormed into the Communist Party did their best to prevent the revolutionization of literature and art and used their monopoly of the stage and the print shops to try to create public opinion for the restoration of capitalism. Thinly veiled attacks on socialism, the Party and Mao appeared in the form of historical writings and plays.

In addition to the counter-revolutionaries who tried to exercise dictatorship over literature and art, there were large numbers of writers and artists who, while sincerely supporting the socialist state, nevertheless had not yet broken ideologically with the old society. The revisionists discouraged the remolding of writers and artists and hoped to use them as a social base for capitalist restoration.

The struggle in the sphere of literature and art was one of the key battles in the Cultural Revolution and through this struggle great advances have been made in creating new works of literature and art that truly serve the interests of the workers and peasants in making revolution and building socialism. Such operas as "Taking Tiger Mountain by Strategy" and "The Red Lantern", and revolutionary ballets like "The Red Detachment of Women" have transformed art according to the outlook of the proletariat, replacing the old "heroes" on the stage—emperors, landlords, beauties and ghosts—with truly heroic images of workers, peasants, and soldiers of the People's Army. Landlords, capitalists and counter-revolutionaries still appear in these models of proletarian art, but they do not occupy "center stage." They are presented as objects of the contempt and hatred of the masses—struck down by the revolutionary struggle of the people.

The changes in literature and art have also been seen in the further integration of the arts with the life of the people. Now symphonies, gymnastic teams, drama troops, and other cultural workers actively seek out the people, performing in the factories, communes, parks, etc. And cultural workers take part in production and learn from the working people in the process.

At the same time, new writers and artists have come forward from the ranks of the workers and peasants, and throughout China art and cultural groups are flourishing among the working people, alongside the regular art and cultural workers. This, too, is a further step in breaking down the division between "professional" artists and the masses of people.

But the class struggle in the sphere of literature, art and culture generally is still very sharp, and in one form or other, the bourgeoisie attempts to re-assert its influence in this sphere and drive the proletariat off the stage. The class struggle here is particularly acute, because art and culture are tremendous weapons in the hands of any class in putting forward its world outlook and creating public opinion. The bourgeoisie can use literature and art to put forward its reactionary outlook and policies, spreading in subtle ways reactionary ideas that it cannot overtly propagate.

The proletariat cannot rule and transform society according to its outlook if it does not have hegemony in literature and art, because as Mao Tsetung explained, more than 30 years ago in his talks at the Yen'an Forum on Literature and Art

"Although man's social life is the only source of literature and art and is incomparably livelier and richer in content, the people are not satisfied with life alone and demand literature and art as well. Why? Because, while both are beautiful, life as reflected in works of literature and art can and ought to be on a higher plane, more intense, more concentrated, more typical, nearer the ideal and therefore more universal than actual everyday life. Revolutionary literature and art should create a variety of characters out of real life and help the masses propel history forward. ... In the world today all culture, all literature and art belong to definite classes and are geared to definite political lines. There is in fact no such thing as art for art's sake, art that stands above classes, art that is detached from or independent of politics ... Politics, whether revolutionary or counter-revolutionary, is the struggle of class against class, not the activity of a few individuals. The revolutionary struggle on the ideological and artistic fronts must be subordinate to the political struggle because only through politics can the needs of the class and the masses find expression in concentrated form."

All this is why the class struggle in the sphere of culture is still very sharp in China today, and will continue to be one of the key arenas of struggle between Marxism and revisionism, between the proletariat and the bourgeoisie, until classes and class struggle have disappeared.

4) "Grasp Revolution, Promote Production"—The Further Revolutionizing of the Mode of Production

One of the main theoretical weapons of the revisionists in the Soviet Union and elsewhere is

the argument that once the working class has seized control of the means of production, the contradiction between the productive forces and the relations of production completely ceases to exist. As we saw in earlier chapters, this argument was repeatedly raised by the capitalist roaders in the Soviet Union, both before and after Stalin's death.

Stalin argued forcefully against this line in *Economic Problems of Socialism in the USSR*, published just one year before his death. In answering the revisionist economist Yaroshenko, Stalin wrote that:

"Our present relations of production ... fully conform to the growth of the productive forces and help them to advance at seven-league strides. But it would be wrong to rest easy at that and to think that there are no contradictions between our productive forces and the relations of production."

What Stalin says here is essentially what Mao wrote in *On the Correct Handling of Contradictions*—that under socialism there is both harmony and contradiction between the forces and relations of production.

And Stalin warns that failing to grasp this would lead to a situation where the "relations of production might become a serious brake on the further development of the productive forces." But Stalin only implies and does not fully draw the conclusion that Mao draws—that classes and class struggle continue to exist throughout the socialist period. (Mao, of course, draws on the experience of the Soviet Union as well as the experience of building socialism in China.)

In China it is the fact that the relations of production are, in the main, in harmony with the forces of production that accounts for the tremendous growth in production since Liberation. But the relations of production still continue to lag behind the development of the productive forces. Contradictions between mental and manual labor, the persistence of wages differing among different workers according to the socialist principle of "from each according to his ability, to each according to his work" (skilled workers higher paid than less skilled, workers in heavy industry higher paid than workers in light industry, etc.), the contradiction between workers and peasants—these and other distinctions between people in the productive process are survivals of the capitalist era and continue to hold back the development of the productive forces.

The revisionists try to blur over these contradictions, and deny the fact that class struggle still exists under socialism, is, in fact, what propels society forward and—where the proletariat has the upper hand and is in control of society—leads to the further development of the productive forces. Instead, the revisionists argue that once ownership of the means of production has been socialized, then the only task of the working class is to "develop the productive forces"—

to produce, in effect, for production's sake. But as we showed in Chapter III, socialism can only be built and communism reached on the basis of the ever-expanding consciousness of the working people of the aims and plans of production, and their increasing control over the productive process on this basis. Without this, production as an end in itself only serves and reflects the interests of the bourgeoisie and capitalism.

In China the revisionist line on production was vigorously promoted by Liu Shiao-chi and was revived, after Liu's downfall, by Lin Piao and Chen Po-ta, who tried to say that the main contradiction in China was not that between the proletariat and the bourgeoisie, but "between the advanced socialist system and the backward economic base." This is nothing but the bourgeois method of mechanical materialism and its "theory of productive forces", which is upheld by the revisionists, Trotskyites and other agents of the bourgeoisie in the revolutionary ranks.

This "theory" says that a high level of development of the productive forces automatically leads to socialism and communism and, conversely, where the productive forces are still on a relatively low level of development, it is impossible to build socialism. This negates the experience of socialist revolution and socialist construction in Russia and China, and because it liquidates the dynamic and revolutionary factor of the people themselves, and hence eliminates the need for class struggle and revolution.

The Cultural Revolution struck a powerful body blow at this bourgeois line. The Cultural Revolution unleashed a torrent of mass criticism and struggle against such things as reliance on material incentives and one-man management in the plants. This struggle was, in the final analysis, directed against the capitalist roaders who were undermining control of production by the working class.

Criticism is a form of destruction, and as Mao has stressed, "without destruction there can be no construction." With the dethronement of capitalist roaders and mass repudiation of their bourgeois methods, the working class was faced with the crucial task of further revolutionizing the relations of production—of developing new methods of running the enterprises and the whole of China's economic life in a way which more fully corresponds to socialist ownership of the means of production and the development of modern industry and agriculture. The process of developing these forms and methods through continuing class struggle has not yet been completed, and cannot be completed as long as the class contradictions remain, but many of the changes that have already been made get at the essence of what the Cultural Revolution was all about.

Today in China, administrative and technical personnel are required to participate in collective labor. This takes the form of working a few days a week, or a few months a year, on the assembly line, or in the countryside. The workers and

peasants are encouraged and led by the Party to criticize mistakes of the administrators and leaders, either by talking with them individually, at public meetings, and through posting written criticisms. Workers in a plant will discuss production quotas and make criticisms or suggest modifications.

The system of bonuses to disguise piece work, etc., has been eliminated. The salary gap between administrative and technical personnel and the rank and file workers is being progressively narrowed. Forms of more collective management, for example the revolutionary committees or workers' management teams, have been developed, and their members are chosen through the joint consultation of the workers and the Party committee. The system of work rules has been revamped and many unnecessary bureaucratic restrictions and "red tape" have been scraped.

All of these revolutionary changes have had the effect of liberating the productive forces. Since the Cultural Revolution the rate of development of industry in China has greatly increased and both the quantity and quality of goods has improved. Once the working people firmly regained the initiative they succeeded in making many technical innovations and improvements. Story after story is reported in Chinese literature of how workers invented new machinery and manufactured it from scrap materials, how whole new products have been created out of what was formerly "waste."

In addition to the workers coming forward daily in the course of their work to bring up suggestions for producing things more quickly and efficiently, teams have been set up which combine technical personnel with revolutionary cadres and veteran workers to develop new processes. Once certain bourgeois ideas were overcome, like "this is impossible because it has never been done before", or "they don't do it this way in the 'advanced' countries", the workers accomplished things that all of the bourgeois "experts" claimed were impossible—like building a 10,000-ton ship in 39 days on a dry dock equipped only for 5,000-ton ships.

All these and many other advances are living proof of the correctness of the socialist principle of putting "politics in command", as formulated by Mao Tsetung. It is a big defeat for the bourgeoisie and its revisionist hacks who claim that nothing can get done unless profit is put in command, as the revisionists have done in the Soviet Union in restoring capitalism.

We have seen in previous chapters that under socialism, it is still necessary to take into account the profitability of various enterprises. But this is a necessity that the working class strives to constantly limit and finally eliminate in the advance toward communism. And while in socialist society it is necessary, *in general*, for enterprises to make a profit so the state can accumulate more funds for the development of production, it is just as true that the question of profit can and

must be subordinated to the needs of the people and the long term tasks of socialist construction. For example, it may be necessary for industry producing agricultural machinery—tractors and the like—to function at a loss for an extended period of time to further the mechanization of agriculture and solidify the worker-peasant alliance.

This is possible under socialism, where the working class, through its state power, collectively controls the surplus of society and assigns it to the different branches of the economy and particular enterprises on the basis of an all-around socialist plan. But it is impossible by putting profits, instead of the revolutionary politics of the working class, in command. This can lead to capitalism and therefore to constant dislocations in the economy and anarchy of production.

The Cultural Revolution also affected the relationship between different industrial enterprises and between industry and the people as a whole. Once the concept of putting profits in command was smashed, the factories were able to produce what the needs of socialist construction required, even if in certain instances it was "unprofitable." Workers from one factory now visit another that, say, buys machinery from the first factory. They examine how the machines they produced are working out, ask the workers in the other plant for criticism and go back to hold discussions in their own plant on how to further improve the equipment.

Factories producing consumer goods solicit opinions directly from the masses on what new products are needed, what criticisms people have of the existing goods, and so on. One example which illustrates this was a factory that produced rain coats. Workers from the plant visited a commune where the peasants were planting rice and observed that the ends of the coats dragged in the water. As a result, they returned to the plant and put in another set of buttons that could be used to keep the coat out of the mud. And all of this is carried out within the overall socialist plan, by relying on the masses, putting politics in command and breaking through the separation of working people from each other in the process of producing so that they can increasingly produce consciously to contribute to socialist revolution.

It would be possible to fill up volumes dealing with the near miracles that the Chinese working class has been able to accomplish, just since the Cultural Revolution began. The point is that it is revolution—that is, criticizing the old ideas and habits, seizing back that part of power usurped by the capitalist roaders, further transforming the relations of production and carrying forward the struggle in the superstructure—that has unleashed the creative power of the masses to further liberate and develop the productive forces.

The tremendous advance in developing production in the wake of the Cultural Revolution is living proof that the slogan, "grasp revolution,

promote production", correctly expresses the relationship between the relations of production and the productive forces and is a powerful refutation of the revisionist "theory of the productive forces." If the working class has state power it will be able to transform the face of society and develop the economy rapidly, even if it starts out without a single steel mill. If the working class loses state power all the advanced productive facilities will simply be transformed into the capital of a new bourgeoisie to exploit the working class. Karl Marx wrote that "the greatest productive power is the revolutionary class itself." The Cultural Revolution in China is living proof of this.

SUMMARY

The main lessons of the Cultural Revolution can be summarized as follows:

1. The Cultural Revolution demonstrated that the method for preventing capitalist restoration and for regaining power in those institutions where the bourgeoisie has usurped control is the method of mass revolutionary struggle and seizure of power from below.

2. The Cultural Revolution was a tremendous struggle to rectify the Communist Party. By arousing the masses and encouraging their criticism, Mao and the proletarian headquarters in the Party were able to isolate and defeat the bourgeois headquarters, weed out counter-revolutionaries and degenerate elements, bring fresh blood into the Party, and strengthen the ideological and political unity of the Party.

3. The Cultural Revolution demonstrated the necessity for the working class to exercise dictatorship in all fields, including all aspects of the superstructure—education, literature and art, etc.

4. The Cultural Revolution provided powerful proof of the Marxist-Leninist principle that socialist construction must be carried out by relying on the masses, and putting proletarian politics in command, as expressed in the slogan, "grasp revolution, promote production," summarizing the correct relationship between the relations of production and the forces of production.

5. The Cultural Revolution was a great exercise in proletarian democracy in which the masses themselves struggled out what was right and wrong, criticized everything they felt was not in their interests, and exercised supervision over the Party and state.

6. The Cultural Revolution was a profound education for the masses of Chinese people who deepened their grasp of Marxism-Leninism in the course of fierce and complicated mass struggle. And this was a great school of class warfare for training successors to the revolution.

This last point is crucial. Without strengthening their ability to determine genuine from sham Marxism, the masses of Chinese people could not have identified the bourgeois headquarters and smashed it, they could not, in the final analysis, have prevented capitalist restoration and seized back power from below.

Through the many twists and turns of the Cultural Revolution, everyone, revolutionary and counter-revolutionary alike, spoke in the name of Mao Tsetung. But the problem was to figure out what line represented Mao Tsetung *Thought*—the outlook and interests of the proletariat—and which represented the bourgeoisie and revisionism, disguising itself as Mao Tsetung Thought.

And this has been proven to be all the more crucial, since Lin Piao, Chen Po-ta and others used the struggle against Liu Shao-chi as a cover to build up their own bourgeois headquarters. After Liu was overthrown, and the Cultural Revolution was consolidated on a certain level at the Ninth Congress of the Chinese Communist Party in 1969, the struggle against Lin Piao and his clique became very acute. Lin Piao even went so far as attempting to assassinate Mao.

But Lin failed, was exposed and died in a plane crash in September 1971 while fleeing China. In the three years since then, the struggle against revisionism, and the mass movement to carry forward and build on the lessons of the Cultural Revolution, has continued in new forms, now concentrating in the campaign to Criticize Lin Piao and Confucius.

And the key lesson that was emphasized at the Tenth Party Congress in 1973, summing up the two-line struggles in the Chinese revolution (the struggle between the bourgeois and proletarian lines, between Marxism and revisionism, within the Communist Party) was, in the words of Mao Tsetung, "the correctness or incorrectness of the ideological and political line decides everything."

As the example of Lin Piao shows, the Cultural Revolution did not and could not prevent the

restoration of capitalism once and for all, or rout the revisionists for all time. As Mao emphasized repeatedly during the Cultural Revolution, there will be a need for many such revolutions in the future, because, as he had already summed up in 1962, socialist society covers a considerably long historical period. In the historical

"period of socialism, there are still classes, class contradictions, and class struggle, there is the struggle between the socialist road, the capitalist road, and there is the danger of capitalist restoration. We must recognize the protracted and complex nature of this struggle. We must heighten our vigilance. We must correctly understand and handle class contradictions and class struggle, distinguish the contradictions between ourselves and the enemy from those among the people and handle them correctly. Otherwise a socialist country like ours will turn into its opposite and degenerate, and a capitalist restoration will take place. From now on we must remind ourselves of this every year, every month, and every day so that we can retain a rather sober understanding of this problem and have a Marxist-Leninist line."

The negative experience of the Soviet Union is clear proof of this. But, even more importantly, the tremendously positive experience of the Cultural Revolution and the continuing mass struggle against capitalist roaders and the bourgeoisie in every sphere in China shows that the working class not only can conquer power and begin the process of socialist transformation, but can continue to make revolution, advance along the socialist road and lead mankind throughout the world in reaching communism.

VIII. CONCLUSION — THE SIGNIFICANCE OF THE EMERGENCE OF SOVIET SOCIAL-IMPERIALISM

We have shown throughout the course of this book that the Soviet Union has been transformed from the first socialist state into an imperialist power contending with the United States as chief exploiters of the peoples of the world. The question remains, what significance does this fact have for revolutionaries in the U.S. and other countries?

The starting point for developing the strategy for revolution in any one country must be based on a correct assessment of the world situation and the general strategy for advancing proletarian revolution on a world scale. Without such a correct view, inevitably we will make errors in analyzing the particular contradictions existing in any one country, fail to fully understand the present general crisis of imperialism, and not be able to correctly prepare the working class and the masses of people for the struggles looming ahead of us.

The transformation of the Soviet Union from the leading country in (what was then) the socialist bloc to an imperialist superpower has profoundly affected the alignment of class forces on a world scale, and hence the world-wide strategy and tactics for making revolution. An example of how a wrong view of the Soviet Union leads to a wrong appraisal of world events was shown in 1971, when during the Indian invasion of East Pakistan, some progressive people were hoodwinked into believing that the "Bangla Desh Affair" was actually a national liberation movement! Likewise, it is utterly impossible to understand the complex picture of the Middle East without understanding the role of the Soviet Union as an imperialist superpower.

After World War 2, Marxist-Leninists held for some time that of the major contradictions in the world, the principal one, or the one that determined the movement and development of all the major contradictions, has been the contradiction between the oppressed nations and imperialism. As a result of the events leading up to World War 2 and the war itself, the main arena of revolutionary struggle shifted from the West to the East. The revolutionary struggles for national liberation, especially in Asia and Africa, became the main battle ground in the world-wide struggle against imperialism. Most Marxist-Leninists, and indeed non-Marxist progressive forces, came

to recognize this. The heroic struggle of the Vietnamese people against U.S. imperialism developed in the 1960s into the leading struggle of the world's peoples against imperialism and became a rallying point for revolutionaries everywhere, especially in the U.S.

While Marxist-Leninists have held the principal contradiction in the world to have been between the oppressed nations and imperialism, the revisionists throughout the world, led by the "Communist" Party of the Soviet Union, have claimed that the principal contradiction is between "imperialism and the socialist camp", (which, of course, they mean to include the Soviet Union and other revisionist capitalist countries). The revisionists have spread this false view of the world situation in order to sabotage the struggle for national liberation, confuse revolutionaries, and provide a cover for their own attempts to challenge U.S. imperialism for hegemony in the world. While the CPUSA has tried to parrot this line in the U.S., fortunately it never received much support in this country (though it has become increasingly important to expose this line as the contention and collusion of the two superpowers steps up).

A far more common view has been to see the contradiction between the oppressed nations and imperialism as the *only* contradiction of any consequence in the world, now and forever. This view is generally coupled with a denial of or underestimation of the growing contradiction between the U.S. and the Soviet Union. People who hold this view, as seen in the writings of the editors of *Monthly Review*, and until recently in the *Guardian*, admit that the Soviet Union has "departed from Marxism-Leninism" or is "deformed", but fail to apply the method of class analysis to the Soviet Union and fail to see the USSR as a capitalist-imperialist power. This viewpoint is quite dangerous since it hides the true nature of social-imperialism and leads to the conclusion that the Soviet Union can be an "ally" of the national liberation struggles, and in that sense dovetails with the line pushed by the revisionists throughout the world.

The present world situation is marked by the rapid intensification of the world-wide general crisis of capitalism, which deepens and intensifies all major contradictions in the world. The struggle

of the workers in the U.S. and the other capitalist countries, including the Soviet Union, is increasing daily as the imperialists attempt to shift more of the burden of the crisis onto the backs of the working class. The national liberation movements are winning greater and greater victories, as can be seen by the defeat of Portuguese colonialism in Africa. The contradictions between the developing countries and the two superpowers have intensified markedly in recent years, as can be seen by the Arab oil boycott. The contradictions between imperialism and the socialist countries have also intensified, especially the preparations of the social-imperialists for war against China. And of extreme importance are the growing contradictions among the imperialist powers, most crucially between the U.S. and the USSR, but also between the lesser imperialist powers like Japan and France on the one hand and the two superpowers on the other.

The important thing for Marxist-Leninists is to see the development and movement of all the major contradictions, their interrelation with one another, and to grasp that the principal contradiction can change and the direction of our struggle shift, as Lenin wrote, in "twenty-four hours." If we see only one or two contradictions in the world, or fail to understand that with the further intensification of the world-wide crisis of capitalism the world situation will change, sometimes suddenly and dramatically, we will be disarmed and unprepared for the revolutionary struggles ahead of us.

1. Danger of World War

One of the most serious deficiencies of U.S. revolutionaries is a poor understanding of the relationship between the U.S. and the USSR in general, and a *serious underestimation of the growing danger of world war between the two superpowers* (though the opposite tendency to see world war as right around the corner, also exists in some quarters). One of the most fundamental contributions of Lenin to the science of revolution is his analysis of imperialism, of how the imperialist powers constantly strive for a new division of the world and his conclusion that "imperialism means war."

The history of the 20th century completely bears out Lenin's analysis. Both of the two world wars were caused by the struggle between different imperialist powers for monopolies of raw materials, markets, and most importantly, for colonies and dependent countries to which capital could be exported to extract superprofits.

The Marxist law of the "uneven development of capitalism" holds that different capitalist countries will develop at uneven rates, some spurting ahead while others are developing more slowly or stagnating and falling behind. This uneven development means that division of the world into "spheres of influence" (i.e., markets for the export of capital, sources of raw materials, etc.) will

constantly be upset as the division no longer reflects the real relative strengths of the various imperialist powers. Driven by the internal contradictions of the capitalist system, and the resistance of the people, the imperialists are unable to peacefully re-divide the world. Hence, the outbreak of wars, aimed at settling the question of division of the world by armed force, is inevitable as long as imperialism exists.

In the world today, the division of markets, sources of raw materials, etc. no longer reflects the real relationship of power—economic and military—among the imperialist powers—especially the two superpowers. As we pointed out earlier, the U.S., as a legacy of its near monopoly of the capitalist world following World War 2, has a disproportionate share of control in the world. Of course, other imperialist powers, especially the USSR, cannot stand for this—the laws of imperialism, the need to export capital, seize raw materials, etc., force the USSR and other imperialist powers to challenge the present division of the world, as the crisis-ridden and greatly weakened U.S. imperialism tries desperately to maintain the "status quo."

It is a well-known fact that in addition to the contention between the two superpowers for world hegemony, there also exists collusion and collaboration between the U.S. and the Soviet Union. When it comes to the revolutionary struggle of the people, the imperialists, both old and new, find common cause in opposing it. Both superpowers, for example, find it advantageous to force a "no war, no peace" situation on the Palestinian and Arab peoples. Both superpowers have supported the Lon Nol traitor clique in Cambodia. Even in those genuine national liberation struggles where, due to their need to contend with U.S. imperialism, the Soviet social-imperialists offer military "aid", they inevitably try to use their "assistance" to subvert the struggle for true independence and socialism, hoping to ride in on the backs of the people.

It is also true that the U.S. imperialists and social-imperialists have periodic conferences and summit meetings, always accompanied by much publicity and great ballyhoo, where they speak piously of "peace in the world", "U.S.-Soviet cooperation" and "detente." Unfortunately, some revolutionaries see only the collaboration between the U.S. and the USSR and are deceived by the talk of "detente." They see only the surface phenomena and fail to grasp the essence of the relationship between the superpowers. They think the U.S. and the Soviet imperialists can sit down in a room and come to an agreement on how to oppose the people and stage manage world events.

But try as they might, the superpowers are never able to come to any lasting or significant agreement. Those who see only the collusion and common interests of the U.S. and the USSR essentially fall into the "theory of even development or the theory of equilibrium" that Mao refutes in *On Contradiction*.

Mao quotes Lenin as writing,

"The unity (coincidence, identity, equal action) of opposites is conditional, temporary, transitory, relative. The struggle of mutually exclusive opposites is absolute, just as development and motion are absolute."

Mao goes on to write,

"Such unity, solidarity, combination, harmony, balance, stalemate, deadlock, rest, constancy, equilibrium, solidity and attraction, etc., as we see in daily life, are all the appearances of things in the state of quantitative change. On the other hand, the dissolution of unity, that is, the destruction of this solidarity, combination, . . . solidity and attraction, and the change of each into its opposite are all the appearance of things in the state of qualitative change, the transformation of one process into another. . . . That is why we say that the unity of opposites is conditional, temporary and relative, while the struggle of mutually exclusive opposites is absolute."

It is mainly this opposition and contention between the two superpowers that is pushing developments toward a new world war. But, in opposition to this, in turn, are the struggles of the countries, nations and peoples of the world for independence, liberation and socialism, which present a great obstacle in the path of the superpowers in their struggle for world domination and make it more difficult for them to unleash such a world war.

The aim of the world's peoples must be to prevent world war through revolutionary struggle, or, if such a war does break out, to continue waging revolutionary struggle under these conditions in order to hasten the complete downfall of imperialism. This is why Mao has said that "With regard to the question of world war, there are but two possibilities: One is that the war will give rise to revolution and the other is that revolution will prevent the war."

The Soviet propagandists, along with their U.S. imperialist counterparts, also speak of the danger of world war. But they do so to oppose revolutionary struggle, to preserve imperialism and promote their own imperialist interests. The Soviets say that world war is "unthinkable" and would "lead to the destruction of the human race." Of course, while they are speaking of peace they are arming themselves to the teeth in their effort to achieve military superiority over the U.S.

According to the spokesmen for social-imperialism, the only hope for "preserving peace" is for the people of the world to stop waging revolutionary struggle and place their hopes on Soviet-U.S. "detente", while supporting the Soviet Union in its contention with U.S. imperialism. The social-imperialists claim that armed revolution and wars of national liberation threaten world peace. On the contrary, the *only* way to prevent war between the two

superpowers, in the final analysis, is to overthrow them, and the only way to postpone and delay the outbreak of war is to continue to wage revolutionary struggle, in all forms, that weakens the imperialists. Clearly, the heroic armed struggle waged by the Vietnamese and Indochinese peoples has not only not led to world war but has greatly weakened U.S. imperialism and its ability to wage world war.

As the Chinese frequently point out, "The present international situation is characterized by great disorder." This disorder is reflected in the rapid disintegration of both the U.S. and Soviet imperialist blocs. Such turmoil and disorder, within the capitalist and imperialist countries is extremely favorable to the people, for it weakens imperialism and makes it more difficult for them to forge a bloc to go to war.

The main arena of contention between the two superpowers is Europe, which has been the focal point of battle in both previous world wars. Presently the Soviet Union is working feverishly to destroy NATO and conclude agreements with various West European imperialist powers. As pointed out in an earlier chapter, the struggle for control of the Middle East is very much a struggle for control of Europe, since Europe is heavily dependent on the Middle East for oil supplies—and further control of oil supplies is crucial to the imperialists in waging war.

In addition, the social-imperialists are attempting to strengthen their stranglehold on the East European revisionist countries. For its part, U.S. imperialism is trying desperately to keep the Western European imperialists in line, while at the same time making overtures to the revisionist countries of Eastern Europe hoping to woo them out from under the Soviet Union.

Under today's circumstances, the second-rate imperialist powers like Japan, France, etc. are incapable of forming a bloc that could stand up to either superpower in a military confrontation—unless it allied with one superpower against the other. Therefore, the rivalry between the superpowers for hegemony over the other imperialist and capitalist countries is growing stronger every day. The social-imperialists are following a policy of "making a feint to the East while attacking in the West", that is, while they continue their massive troop buildup along the border with China, and continue their provocations against China, their major goal is control of all of Europe and wresting hegemony from the U.S. imperialists. Still, in any future war involving the superpowers, the probability of attacks on China by one or another of the superpowers would be very great.

Since the time of Lenin, communists have always made an important part of their programme the fight against imperialist war. Lenin accurately predicted the outbreak of World War 1 and called on the workers of the warring imperialist powers to use the occasion of the war to rise up against their own bourgeoisie and turn

the imperialist war into a civil war.

It was during the course of World War 1 that the consistent proletarian internationalist stand of Lenin and the Bolshevik Party led to the establishment of socialism in tsarist Russia. During the crisis years of the 1930s, the Communist International and the Communist Parties throughout the world conducted vigorous agitation and propaganda among the masses of all countries about the danger of the outbreak of a second world war. And when, as a result of the Nazi attack on the Soviet Union, the overall character of the war changed from principally an inter-imperialist war to a world-wide united front against fascism, the Communist Parties and the Soviet Union led the world's peoples in defeating the fascist powers. On the heels of World War 2, the peoples of many countries throughout the world, in Eastern Europe, Korea, Vietnam and China, were able to cast off the yoke of oppression and establish socialism.

Revolutionaries today, especially those living in the U.S. and USSR, have a tremendous responsibility to conduct propaganda and wage struggles against the possibility of a third world war. But if such a war breaks out, it will not mean an end to humanity as the imperialists claim and although it will lead to untold suffering, it will bring closer the day when the imperialist system will be buried once and for all.

2. United Front Against the Two Superpowers

On the basis of a thorough analysis of the contradictions in the world today and the development of the revolutionary struggles throughout the world, Marxist-Leninists have formulated the strategy of the "united front against the two superpowers" as the general strategy for advancing struggle for proletarian revolution on a world scale. This united front is being forged with the People's Republic of China at its head.

The strategy of united front against the two superpowers has several aspects. It correctly identifies the present main enemies of the peoples of the world as U.S. imperialism and Soviet social-imperialism and enables the proletariat to build the broadest alliance with all possible forces against these main enemies. The staunchest allies of the proletariat in this struggle are the hundreds of millions of peasants, and urban petty bourgeoisie in Asia, Africa and Latin America who, together with the working class, are the backbone of the national liberation struggles in these areas, which are directed primarily at the two superpowers.

But beyond that, the contention and collusion of the two superpowers, the weakening of U.S. imperialism and its increasing challenge from Soviet social-imperialism, create a situation in which not only the progressive national bourgeoisie, in and out of power in these countries, but even certain governments in the Third World which enforce reactionary rule over their

own peoples, are struggling for more independence from one or other or both of the two superpowers. This provides broader—if less stable—allies for the proletariat in the struggle against the two superpowers.

Finally, the fact that the two superpowers seek to dominate even the lesser imperialist powers makes it possible for the proletariat to take advantage of the splits within the imperialist camp to hinder the formation and consolidation of imperialist blocs and to unite with the lesser capitalist and imperialist powers in resisting superpower domination. The tremendous success of the People's Republic of China on the diplomatic front in recent years, combined with its firm support for all genuine revolutionary struggles, is the result of the correct strategy of the united front against the two superpowers.

The strategy of united front against the two superpowers is the general strategy of communists throughout the world and must be the starting point for revolutionaries in formulating the strategy and tactics for making revolution in their respective countries. However, a general strategy for advancing revolution on a world scale is not enough. It is up to the genuine Communist Parties and Marxist-Leninist organizations in the different countries to make a painstaking analysis of the particular contradictions that exist in their country, and on the basis of applying Marxism-Leninism to the particular conditions and proceeding from the overall strategy of united front against the two superpowers, develop the strategy and programme for making revolution.

It is entirely correct for revolutionaries, especially in the Third World countries, to take advantage of inter-imperialist rivalry, including that between the two superpowers. However, in doing so the danger must be combatted to lose sight of the fact that, strategically speaking, the people of the world face both U.S. imperialism and social-imperialism as main enemies.

Similarly, there are cases where there appears to be a conflict between the general strategy of united front against the two superpowers, particularly as embodied in the foreign policy of China, the leader of the world revolutionary movement, and the interests of the masses of people in one or another country. However, in reality there is no such conflict. China has come to certain agreements, for example, with the Shah of Iran, whose main characteristic is a tyrant brutally oppressing the Iranian people and a puppet of U.S. imperialism. China's policy toward Iran is entirely correct and takes advantage of the Shah's contradiction with social-imperialism and even his contradiction with U.S. imperialism (although the main aspect, once again, is not one of opposing U.S. imperialism). This correct policy of China in no way means that the Iranian people should not wage revolutionary struggle aimed at overthrowing the reactionary regime of the Shah, or that the revolutionaries throughout the world should not support that just struggle.

Likewise, there is no conflict between the attempts China is making to improve relations with the U.S. and the general strategy of building a united front against the superpowers or the strategy within this country of united front against U.S. imperialism. Such a policy has greatly aided the revolutionary struggle in the U.S. by helping to eliminate the anti-China, anti-communist hysteria the U.S. imperialists tried to foster during the 50s and 60s, and creating a favorable climate to educate the American people about the true nature of socialism and China and the need for solidarity between our two peoples.

Such a policy also skillfully makes use of the contradictions between the superpowers to break the policy of "encirclement of China" that the U.S. imperialists and Soviet social-imperialists tried to forge in the 1960s. While seeking to improve relations with the U.S., on the basis of the five principles of co-existence, the Chinese Communist Party and the People's Republic of China continue to give full support to the revolutionary struggle of the American people, and continue to expose the true nature of U.S. imperialism in their publications, at the United Nations and elsewhere.

Actually, as far back as 1946, in describing a situation in many ways similar to today, Mao Tsetung laid out the principles which should guide revolutionaries in all countries in today's situation. He pointed out that there might be at that time certain compromises between the Soviet Union—then a socialist state—and certain reactionary forces, specifically the U.S., Britain and France, especially in the areas of diplomatic relations and trade. But, Mao stressed, "Such compromise does not require the people in the countries of the capitalist world to follow suit and make compromises at home. The people in those countries will continue to wage different struggles in accordance with their different conditions." (See "Some Points in Appraisal of the Present International Situation", Vol. IV, pp. 87-88)

3. How to View the Revisionist Parties

Today in most countries of the world, there exist, legally or illegally, parties which were founded prior to the emergence of modern revisionism on a world scale in 1956. Some of these parties have remained genuine Communist Parties loyal to Marxism-Leninism and the working class—for example, the Communist Party of China and the Party of Labor of Albania. Unfortunately, however, most of the former Communist Parties have abandoned Marxism-Leninism and betrayed the cause of the working class.

In those countries where modern revisionism has destroyed the old vanguard party of the working class, genuine communists have come forward, both from the ranks of the old revisionist parties and out of the mass struggles raging throughout the world, to build genuine Com-

munist Parties (or Marxist-Leninist organizations laying the basis for new parties), capable of leading the working class forward to revolution and socialism.

The existence of a large number of revisionist traitor parties plays an important role in the global strategy of social-imperialism in challenging the U.S. imperialists for world hegemony. Generally speaking, the revisionist parties have two aspects. On the one hand, they hinder the revolutionary movement of the working class by preaching such revisionist trash as the "peaceful road to socialism", the "Marxist-Catholic dialogue", etc. In some countries such as Italy, they have replaced the old Social-Democratic parties as the main social prop of the bourgeoisie in maintaining its dictatorship over the working class. The other aspect of the revisionist parties is their role as tools of Soviet social-imperialism for the purpose of expanding Soviet influence and control.

In particular, the revisionist parties of the Third World, often existing illegally, are called upon to serve the interests of Moscow. Whether such a party dissolves itself (Egypt), launches a coup (Sudan), or preaches "peaceful transition" (Chile) has very much to do with the strategy of social-imperialism toward a particular country.

For example, the revisionist Tudeh Party in Iran until recently promoted the line that the Shah was progressive, that there was no need for armed struggle in Iran, etc. But when that policy no longer served the needs of their social-imperialist masters, the leaders of the Tudeh party started calling for the overthrow of the Shah. This makes it all the clearer that the revolutionary people and the genuine Communist Parties and organizations in the Third World have to guard against infiltration by the revisionists and social-imperialist agents, who hope to turn their countries into Soviet neo-colonies.

In various West European countries, the revisionist parties are still fairly strong, trying to take advantage of the genuine desire of the workers for socialism and the high prestige the Soviet Union and the Communist Parties earned in the depression years (for the capitalist countries) of the 30s and the war against fascism. The revisionist parties of Western Europe are torn between loyalty to their "own" bourgeoisie and loyalty to the social-imperialists. This is the root cause of the differences between certain European revisionist parties and why, on occasion, certain revisionists accuse others of departing from "Marxism-Leninism" and hoot and holler about a "return to Leninism."

The revisionist "Communist" Party of Italy (ICA) has long ago concluded peace with the Italian monopoly capitalists. Hence, when the Italian bourgeoisie disapproved of the Soviet invasion of Czechoslovakia, its servants in the ICP were quick to follow suit. In France, on the other hand, the revisionist party is extremely subservient to social-imperialism.

The CPUSA also suffers this problem of dual

loyalties, as can be seen by their performance during the Watergate crisis. One might think that it should have been the CPUSA's chance to go to town, since they would have had an opportunity to push their hogwash about a "progressive" and a "reactionary" wing of the U.S. imperialist bourgeoisie; and, after all, they had been screaming that "impeaching Nixon" would solve all of the American people's problems as far back as 1969. But lo and behold, while the CPUSA did, to a certain extent, continue to push their "Nixon is the problem" line, they never showed much real enthusiasm for pursuing their long dream of "impeaching Nixon." Why? Because it turned out that Brezhnev and the social-imperialist ruling clique rather obviously preferred to see Nixon stay in office!

The development of the Soviet Union into social-imperialism makes the task of exposing and fighting the revisionist parties throughout the world that much more important. Not only do the revisionists, like the old Social-Democratic parties before them, try to deceive the working class with nonsense about "peaceful road", etc., and collaborate with their own bourgeoisie to oppose the revolution, they also serve, to a greater or lesser extent, as a social-imperialist fifth column. On the other hand, the conflict these revisionist parties face between loyalty to Soviet social-imperialism and loyalty to their own ruling class adds to the turmoil within the imperialist camp, and to this degree is a good thing.

In concluding, we feel it is important to stress the following points:

1. The restoration of capitalism in the Soviet Union, home of the first successful proletarian revolution, is a most significant event in contemporary history. It is crucial that revolutionaries

have a correct summation and draw the correct conclusions from the events in the Soviet Union so as to learn from negative experience and grasp and apply more correctly the science of Marxism-Leninism—especially the theory of the dictatorship of the proletariat and the transition from capitalism to communism. Only by doing so can a successful fight be waged against the restoration of capitalism in other socialist countries, and against revisionist lines and tendencies within all Communist Parties and organizations. And only in this way can the arguments of the bourgeoisie, who claim that the experience of the Soviet Union shows that socialism cannot succeed, be defeated.

2. The emergence of Soviet social-imperialism as a superpower colluding, but most of all contending, with its superpower rival, U.S. imperialism, profoundly affects the whole world situation and the course of the world revolutionary movement. It increases the danger of a third world war in which millions of people would perish as a result of the imperialist drive for greater and greater plunder. It means that the people of the world face two main enemies, the two superpowers, and must forge a united front against the two superpowers under the leadership of the revolutionary proletariat.

But as Lenin concluded, "Imperialism is the eve of the social revolution of the proletariat." The emergence of a new imperialist power—Soviet social-imperialism—can in no way change this truth. The day is not far off when the people of the entire world will rise up and bury Soviet social-imperialism, U.S. imperialism and all reactionaries and open a bright new page in human history.



APPENDIX I:

Revisionist Economic Integration and Its Contradictions

Despite the lustre that the modern revisionists are trying to give it, COMECON has now been transformed into a typical capitalist economic block, built on the basis of exploiting and oppressing principles. It is a tool manipulated by the Moscow revisionists and used by them for economic and political pressure, interference and subjugation of the so-called partner countries.

by KICO KAPETAN and VENIAMIN TOCI

EVERY PASSING DAY REVEALS MORE CLEARLY THE ALLROUND, ESCALATED AND PREMEDITATED EXPANSION AND THE NEOCOLONIALIST AIMS OF SOVIET SOCIAL IMPERIALISTS WITH REGARD TO THE OTHER REVISIONIST COUNTRIES. AN IMPORTANT ASPECT OF THIS IS THEIR ECONOMIC EXPANSION, THROUGH THE COUNCIL OF MUTUAL ECONOMIC AID - COMECON. THIS INTER-REVISIONIST ECONOMIC ORGANISATION HAS NOW TURNED INTO A TOOL WHICH IS MANIPULATED AND DOMINATED BY THE MOSCOW REVISIONISTS AND IS USED BY THEM FOR ECONOMIC AND POLITICAL PRESSURE, INTERFERENCE AND SUBJUGATION OF THE SO-CALLED PARTNER COUNTRIES. "THIS ORGANISATION", COMRADE ENVER HOXHA HAS SAID, "IS DOMINATED BY THE SOVIET REVISIONISTS, WHO AIM TO USE IT IN THEIR HEGEMONISTIC INTEREST TO EXPLOIT AND DIRECT THE ECONOMIES OF THE OTHER MEMBER COUNTRIES, TO COMPEL them to develop in the directions the Soviets desire, and to tie up the economies of the other countries in such a way that, through this sham socialist cooperation, they also dominate these states politically".

COMECON, despite the lustre the modern revisionists seek to give it, is really nothing but an economic bloc of the capitalist type, built up on the principles of exploitation and oppression of the small by the great. As a consequence, it is being increasingly eroded by sharp antagonistic contradictions.-

1.

Within the framework of COMECON, and speculating with such demagogical slogans as the "community of interests", and the "socialist community", the modern revisionists have proclaimed long-term programme of economic integration between them. They consider this as an "important milestone" in the life and relations of the COMECON member countries, as a "new stage" of "collaboration" among them. This programme, approved at the 24th session of COMECON, is based on the Brezhnevian theory of "limited

sovereignty". In accordance with it, 44 multi-partite agreements have been concluded in the field of capital investments and technical and scientific "collaboration" for a 15-20 year period, apart from bipartite agreements. The programme is permeated by the objective of making the economies of other countries appendages of the Soviet metropolis, complementing the Soviet market, and integrated in the Soviet economy. In this way they are gradually moving in the direction of lifting national economic boundaries and consequently also political ones, in compliance with the hegemonistic interests of Soviet social imperialism.

According to the concluded agreements, it has been decided to build some big industrial projects, in the first place on Soviet territory, jointly financed by the COMECON member countries. Such projects include the combine for the enrichment of asbestos, with a capacity of 500,000 tons annually, in Kiembayev, in the southern Urals; the cellulose combine in Ust-Ilimski, Siberia; the metallurgical combine near Kursk, with a capacity of 10 to 12 million tons of steel yearly; the plant for the enrichment of phosphorites; the copper enrichment plant, power com-

plex in the Ukraine, etc.

With the construction of these big projects, and by exploiting "cooperation" with the COMECON countries, the Soviet Union creates for itself additional opportunities for its own industrialisation and for the appropriation of natural wealth, on the basis of the plunder of the accumulation of capital of other countries. As a consequence, it limits the possibility of the independent use by these countries of their accumulation to develop their own productive forces in accordance with their national interests.

The exploitation of the COMECON member countries by the Soviet social imperialists consists not only in the absorption of their accumulated funds, but also in the direct exploitation of labour power from these countries. Thus, for example, in the building of the cellulose and metallurgical combines going up in the Soviet Union, a considerable number of workers from six COMECON member countries engaged in these projects will be used. Reports indicate that tens of thousands of workers from Bulgaria, Poland and other countries have left their homes and have gone to work in Siberia for the Kremlin bosses. About 20,000 Bulgarians are working on the construction of the paper and cellulose factory in the vicinity of Archangel, on the construction of the metallurgical combine of Kursk, or cutting wood in the forests of Kom.

In drawing off the labour force from other countries, the Soviet revisionist imperialists deprive these countries of an active part of their productive forces and, in this way, they slow down the rates of reproduction in these countries, or give it a one-sided character, dependent on the Soviet metropolis. Of course, the process of emigration of labour power includes the younger age group and thus, the reproduction of the population of these countries is directly harmed. With such a practice the Moscow revisionists appropriate the surplus created by the immigrant workers from the COMECON countries and at the same time the aim to solve one of their internal difficulties, that of guaranteeing manpower for the appropriation of natural riches in distant areas of the Soviet Union.

A typical manifestation of the neocolonialist exploitation of the COMECON member countries by the Soviet revisionist imperialists is the way of repaying credits received for the construction of "common" industrial units on Soviet territory. According to the agreements included in the programme of revisionist integration, the credits for these units will

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be repaid some time after they have reached their full productive capacity and with products from these units. Thus, Czechoslovak credits for the construction of the asbestos enriching combine will be granted over four years, 1974-1978, while the Soviet revisionists will begin to repay them from the year 1980 and for a period three times longer, effecting the repayment by supplying asbestos. This is also the nature of the «mutual» obligations with other countries, such as the German Democratic Republic, Poland, Hungary, Bulgaria, etc.

In this way the Moscow revisionist chieftains dominate their satellites, dictate to them the fundamental directions of economic development, and determine the main products they will produce tying them to the Soviet Union. The Moscow revisionists are thus seeking to enslave the peoples of the COMECON member countries, to undermine their freedom and national independence, and to subjugate and exploit them for their own hegemonistic and expansionist aims. In the final account, they aim to turn these countries into provinces of their social imperialist empire or into economic dominions. To this end they use both dictate and demagoguery, coming up with such slogans as the international division of labour, specialisation, cooperation and concentration of production, effectiveness and profitability of production on an international scale. With the programme of integration and the projects carried out within its framework in Soviet territory, the new Kremlin czars seek to convince the other COMECON member countries of such absurdities as the idea that the economic and industrial potential of the Soviet Union also guarantees their industrialisation and economic development.

The Moscow revisionist chieftains and their ideologists loudly propagate the thesis that integration within the framework of COMECON will make it possible for the countries of this bloc to reach, in the near future, equal levels of economic development. Reality shows the opposite and indicates a widening gap in their comparative economic development, in the first place in comparison with the Soviet Union. The following data show this: while in 1960 the share of the Soviet Union in the industrial production of the COMECON countries was 69.5 per cent, by 1970 it had reached 76 per cent. During the same period, the share of the GDR fell from 8.7 per cent to 3.4 per cent, and that of Czechoslovakia from 7.5 per cent to 4.2 per cent, without mentioning such countries as Mongolia and Bulgaria, which have much lower levels of industrial development than those mentioned

above.

The tendency toward deepening economic differentiation is also evident in the rates of increase of the basic funds. In 1970, as against 1950, the basic funds of the Soviet Union had increased at a rate 2.7 to 3 times faster than those of Poland, Czechoslovakia, Hungary and the GDR.

In every case the Kremlin revisionist chieftains have resorted to dictate in relations with their «allies». They have stopped at nothing, going as far as direct political, economic and military threats, when it has been a question of «persuading» and subjugating others. They hold both the stick and the carrot, and are creating an economic integration, the strings of which are held in Moscow. The COMECON member countries are completely dependent on the Soviet metropolis for raw materials, fuels, machinery, equipment and other important materials. Thus, for example 90% of Czech imports of oil, iron ore and non-ferrous metals, 80% of food grains, over 60% of cotton, and over 60% of sulphur and various phosphorites, are of Soviet origin. It is clear that not only economic but also political consequences stem from conditions of dependence. According to some published data, from 1980, the countries of Eastern Europe will need about 150 million tons of Soviet oil annually which Moscow will supply them as repayment for their investment of capital in the exploitation of the Siberian oil fields. This means that these countries must reduce their funds for local investments, placing funds at the disposal of the Soviet revisionist imperialists, or otherwise they will experience an «oil famine». In the present-day situation of the aggravation of the power crisis on a world scale, this question becomes especially important.

Certainly the Soviet revisionist imperialists cannot openly state that their «programme» of integration should envisage investments and credits for the Soviet Union alone. Therefore, they have also allowed some joint projects in other COMECON member countries. But the proportion of these investments in the total programme of integration is insignificant. These investments, in the final account, are intended to fulfil in the first place the needs of the Soviet economy, and increase the economic and political dependence of the COMECON member countries on Moscow. Consider the following example: The COMECON Investment Bank over the last two years has granted about 900 million convertible rubles in the form of credits for the construction of 26 projects in six mem-

ber countries. The Soviet Union has absorbed over two-thirds of this sum, while Poland has received only 3.3 per cent. Besides this, the projects under construction in the countries of Eastern Europe, are for the most part subsidiaries of Soviet trusts. Thus, the automobile plants in Bulgaria and Hungary are at the mercy of the production of the main spare parts by Soviet plants; the engineering industries of Czechoslovakia, Poland, etc., are dependent on Soviet steel; the plants of the petrochemical industry, and industry and transport in general, in the COMECON countries, are dependent on Soviet oil and gas. The Moscow revisionist chieftains can close and open the oil or gas taps whenever they like, when this is required by the interests of their political and economic affairs. Events have confirmed this, not to mention direct military aggressions in the territory of other countries.

The productive complexes and capacities which are built in the framework of revisionist integration are destined to work in the first place for the realisation of Soviet orders. Thus, over four fifths of the ships and their equipment, two thirds of the railway wagons, half the transport equipment and three quarters of the equipment for the chemical industry, without speaking of other products and many mass consumer goods exported by the COMECON member countries are destined for the Soviet market.

Another instrument of neocolonialist exploitation by the Soviet revisionist imperialists is the creation of interstate organisations and enterprises, such as «Agromash», «Intermetal», «Interatominstrument», «Interkimik», etc. These organisations operate on Soviet territory, are managed, like the various COMECON organs themselves, by Soviet cadres, and have subsidiaries in the other COMECON countries. Consequently, they are used as a source of profits for Soviet monopoly capital.

Revisionist integration within the framework of COMECON creates other great advantages for the Soviet social imperialists. The drawing of long-term credits in the form of capital investments from the satellite countries enables the Moscow chieftains to create a «surplus» of capital, which they can then invest elsewhere in the interest of their capitalist business, as in India, the Middle East, and some countries of Latin America and Africa. Here, we see the same method and practice used by the capitalist countries concerning the use of their surplus capital, which they invest in other countries in the form of loan capital and functioning capital.

Through such a practice they extend

their expansion to various regions of the world, posing as «philanthropists» and «allies». With their so-called aid, the Soviet revisionists have penetrated into many underdeveloped countries, occupying the key positions of the economy. Under this guise, they aim to transform these countries into sources of supply for raw materials and cheap agricultural and livestock products, and into markets for the export of their capital and for the sale of their commodities and stockpiles of arms. Thus, in India alone, the Soviet social imperialists, according to data from their own press, control over three-quarters of the engineering industry, over one third of the oil refining industry, over one third of the iron and steel industry, about two thirds of the electrical equipment industry, and one fifth of the power industry. With the units under construction being financed by the Moscow revisionists, the scale of Soviet expansion in India will grow still more.

At the same time, through so-called aid for the underdeveloped countries the Soviet Union plunders increasingly larger quantities of raw materials from these countries. As stated in an article published in the newspaper «Pravda» by the chairman of the Soviet commission for economic relations with other countries, S. Skachkov, the Soviet Union secures very important products such as mineral concentrates, nonferrous metals, oil, natural gas, long-fiber cotton, natural rubber, vegetable oils, cotton textiles, rice, etc. According to statistics, from 1960 to 1971 the Soviet Union has seized from the underdeveloped countries 1.7 billion dollars worth of rubber and 1.6 billion dollars worth of cotton, at low prices. From 1973 to 1980 the Middle East countries will repay their trade debts and obligations to the Soviet Union through the supply of oil at a price 20 per cent lower than the price on the international market. Iranian newspapers have pointed out that the price the Soviet Union pays Iran for natural gas is a quarter of the price at which the Soviet Union sells its gas to the European countries.

By such methods the Soviet revisionist imperialists are tying with the US imperialists to occupy «free» markets, in which to invest their capital, sell their commodities and plunder raw materials from these countries at low prices. In this race, the two superpowers effect the economic division and redivision of the world between them.

An important place in the framework of the efforts of the Soviet revisionist imperialists for the economic integration of the COMECON countries, is held by

measures in the field of currency and the imposition of the ruble as a common convertible currency. Their aim is the creation of a monetary and payment system in which the national currencies, representing various units of value which have been historically established and definite ties in the national and international framework, should be dependent on the «convertible ruble». At the same time this constitutes another transaction for the economic exploitation of other countries through the financial mechanism and it will be a kind of ransom which these countries will be compelled to pay to the Soviet imperialist bourgeoisie.

To achieve these aims the investment bank and the bank for economic collaboration have been created within the framework of COMECON. The financial capital of these banking institutions is controlled and manipulated by the Soviet revisionists. It has been built up according to monopoly criteria and the profits are distributed on the same criteria, according to the percentage of paid up shares. In the investment bank, Soviet financial capital accounts for 40 per cent of the entire constituent fund. Hungarian financial capital 8.3 per cent, Polish - 12.1 per cent and Czech - 12.9 per cent, Mongolia has a symbolic quota of 0.4 per cent. It is understandable that the main profits resulting from the operations of this bank and its credit and financing policy are in favour of the Soviet imperialists. -

2.

The process of revisionist integration is not a process which develops calmly, although the authors of this programme trumpet it as a «success» of «true» international economic collaboration. On the contrary, it develops through deep, fierce antagonistic contradictions, overt and covert, and as an arbitrary process which is carried out with as much violence as demagoguery, contrary to the will, the desires and vital interests of the working masses of each other member country of this bloc.

The objectives of Soviet revisionist imperialisms, and its effects to preserve its hegemony over its satellites and to exploit other countries, arouse discontent and objections on the part of other countries. It is well known that contradictions in the political and military fields have erupted in the revisionist fold. Also acute are the economic contradictions, which often lead to public expressions of discontent and to open counter-actions concerning the objectives of the programme of revisionist integration.

It is no accident that there is discussion, at session after session of COMECON, of the programme and various measures

of revisionist economic integration, or that the measures envisaged by this so-called complex programme are delayed. At the 27th COMECON session Kosygin admitted that the tasks for integration established at the previous session were not being fulfilled and he called on every country to have greater confidence in the complex integration programme, at the same time, he proposed increasing the level and competences of the COMECON organs to fulfil these tasks. He also threatened his hearers that the failure to coordinate the plans, and lack of collaboration on the part of any one state with the other states hinders the process of integration. From a dictatorial position, Kosygin demanded that the coming COMECON session should discuss in detail the tasks and the complex programme of integration, and bear responsibility for failure to realize them. This representative of the Soviet imperialist bourgeoisie went to the extent of arbitrarily demanding that the problem of integration be an object of examination at the future congresses of the revisionist parties.

It follows from the whole context of these by no means accidental admissions of the Soviet Prime Minister that, in spite of the pressure exerted on the dependent countries, the programme and measures for integration are not proceeding in line with the wishes of the Kremlin bosses; and he also expresses the nervousness that has gripped the Soviet revisionist circles as a result of this situation. They want the course of economic integration, accelerated in conformity with their immediate and long-term neocolonialist objectives.

The open or concealed opposition to the application of the complex programme of revisionist integration is indicated by the statements of the Czechoslovak collaborationists who, some time ago, in their newspapers «Tribuna», declared: «We are opposed to the nationalistic tendencies which are apparent in the absolutization of the principles of independence». The complaints of the Soviet revisionist press are also significant. Some time ago the Soviet review «Miravaja Ekonomika i Mezhdunarodnije Otnosheniya» wrote: «Some of the COMECON member countries are not much predisposed to give up their industrial production. They proceed from various reasons, the principal one being their inclination towards the industrialization of their countries, and the modernization of the structure of industry.

The contradictions seething within various COMECON member countries and particularly in their relations with the Soviet social imperialists, are expressed

in the demands for equal industrial development, for the preservation of national independence and for collaboration on a bilateral and not a multilateral basis. At COMECON sessions and at other meetings of its organs, the delegations of Bulgaria, Hungary and Poland have asked that integration in the field of the production of equipment and machinery should not be one-sided, but should also include other countries. There is a growing contradiction between member countries with a developed industry, which want to export machinery and equipment, and the countries with little developed industry, which want to export not only raw materials and agricultural articles, but also machinery and equipment. The revisionist integration measures destine the underdeveloped countries to "vegetate" within the economic structure which they have inherited, while the industrially developed countries, such as Czechoslovakia, aiming to increase their industrialisation, seek to avoid contributing to the industrialization of the less developed countries.

Contradictions and disturbances have emerged, and are growing daily in connection with the ensurance of raw materials and fuels in sufficient quantities and of the proper quality. The economies of the COMECON member countries are dependent on Soviet raw materials and fuels. But at present many difficulties have arisen in securing them. The Soviet Union, within the framework of the deepening revisionist-imperialist collaboration, is continually increasing the supply of raw materials, natural gas oil and minerals, to the capitalist markets, thus opposing the Arab oil embargo and impairing the supply of such materials to its satellites. The Soviet Union supplies the western countries with over 45 million tons of oil and by-products, or about 50 per cent of the total amount of these products which it exports.

This situation has begun to disturb Czechoslovakia, Poland and other COMECON member countries, which are turning to other markets to fulfil their needs for oil and raw materials. In 1973, Czechoslovakia imported 3 million tons of oil from the Arab countries in order to compensate for Soviet reductions.

Unilateral actions are another expression of the deep contradictions corroding the COMECON economic bloc. The revisionist countries, acting separately, are quick to extend their exchange and economic relations with the western countries, credit relations, the exchange of patents and scientific informations, and cultural, scientific and political relations. Poland's imports from western countries have in-

creased by 45 per cent since 1971, at a time when the increase in goods imported from the COMECON countries was 11 per cent. The GDR has trebled its trade with West Germany while Hungarian imports from West Germany have reached the sum of 800 million Marks. In this way, as comrade Enver Hoxha has said, "Anti-Marxist cooperation within COMECON is associated with double capitalist enslavement, as all the members of the revisionist COMECON, with the Soviet ones at the head, separately, through credits and cooperation, have come under the yoke or into the clutches of US and other monopoly capital".

Of course the Moscow revisionists do not like their "allies" to act separately and without their patriarchal blessing. They want everything to be done under their control and not to go so far as to affect their position of hegemony and their neocolonialist interests. For this purpose, while intensifying their efforts to deepen the inter-revisionist economic integration, they have launched the idea of and have undertaken concrete steps for the establishment of close collaboration between COMECON and the capitalist economic groupings advancing towards economic and political convergence with the capitalist system.

It is in this framework that we should evaluate the concrete efforts to open the doors of COMECON to other countries, irrespective of their social, economic and political order.

An acute contradiction among the COMECON member countries is that caused by unequal exchanges as a result of the price policy in the interest of the Soviet metropolis. These countries express their discontent over the higher international prices the Moscow revisionists apply to trade exchanges and other economic relations with them. A Hungarian economic review, criticizing the price system within COMECON, has pointed out that prices applied in foreign trade have no organic connection with local prices: they are in some cases even higher than the prices of the capitalist market and, at the same time, differ in the trade among the COMECON member countries.

It is now known that the Bulgarian revisionists are dissatisfied with the high prices of the raw materials, fuels and machinery they import, and the low prices of the agricultural products they export to the COMECON market; these low prices which have remained at the 1958 level. Agricultural and food products make up a large proportion of Bulgaria's exports. Thus, during the period 1945-1971,

Bulgarian exports to the Soviet Union reached the figure of 11.5 billion levas (foreign exchange currency), including 1.4 billion levas worth of agricultural products, and 4 billion levas worth of food products, which represented 47 per cent of that country's exports to the Soviet Union. In the years since then, the proportion of these products in Bulgarian exports has increased further, while their price is below the level of the world market. Ivan Ivanov, Bulgaria's vice-Minister of Foreign Trade, in an article published in the review "Commerce extérieur", (no 7, 1973) states that foreign trade prices established many years ago, require an examination, with a view to guaranteeing reciprocal profits. According to him, the capital needed for the development of agricultural products for export is 6-9 times higher than that needed for the development of the production of machinery for export, while the level of profit from the export of machines is comparatively very high.

The unjust and non-equivalent ratio of prices in the economic and trade relations among the COMECON members is also opposed by other countries. Non-equivalent exchange, as a consequence of the monopoly prices imposed by the Soviet revisionists, is a supplementary source of capitalist profits on their part. -

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Reality convincingly shows that COMECON has degenerated into an economic organisation of the interstate capitalist type, which is manipulated and dominated by the Moscow revisionists and which is going further and further on this road. This is a logical result of the departure from the road of the socialist revolution and from the precepts of Marxism-Leninism; it is a result of embracing the capitalist road, with all its negative political, economic and social consequences.

The Party of Labour of Albania long ago exposed the counterrevolutionary and neocolonialist character of revisionist integration within the framework of COMECON, as well as the relations developing in its fold, which serve great-Russian hegemonism. Truly fraternal and internationalist relations are those existing among the countries ruled by the dictatorship of the proletariat, which are advancing on the road of revolution and socialist construction, such as the People's Republic of Albania and the People's Republic of China. Relying on its own forces and on the internationalist aid of the PR of China, Albania is developing its economy steadily, at an ever faster rate.

APPENDIX II:

Serious Fluidity of Manpower in Soviet Union

SOVIET working people have again become wage-labourers who must sell their labour to eke out a living. This is the dire consequences of the all-round restoration of capitalism in the Soviet Union by the revisionist renegade clique. With manpower on a constant flow the broad masses of workers and peasants lead a life without security.

Under the "new economic system" of Soviet revisionism, those in charge of enterprises can hire, fire and punish workers and fix wage scales as they please. To seek huge profits, they dismiss or employ workers in large numbers at any time. Therefore, workers are not assured of fixed jobs and many find themselves roaming from place to place.

High Floating Percentage

According to figures published by the Soviet magazine *Planned Economy* not long ago, floating workers in the Soviet industrial branches (not including the figures of the building industry, transport and communications) accounted for 19.8 per cent of the total in 1972, with 30.7 per cent in the food industry, 28.7 per cent in the meat and milk processing industry, 26.3 per cent in the building-material industry and 24.2 per cent in the timber industry.

Some reports say the percentage was even higher in some areas: half of the workers and functionaries of the enterprises in Dushanbe, capital of the Tajik Republic, changed places of employment in 1972. The building and assembly departments in the Azerbaijan Republic hired 47,923 workers last year while in the same period 43,696 people left their jobs. Floating workers make up one-fourth of the total in the Georgian Republic, with the rate reaching one-third in Tbilisi, the capital, and half in the Abkhaz Autonomous Republic.

The Soviet magazine *Smena* disclosed that the annual number of floating labourers in the Soviet manufacturing and building industries in the last few years reached 10 million. On average a labourer wastes 23 days during the float period. This means that one million people remain idle or are out of work every year. As a result, the industrial branches alone lost about 4,000 million rubles in output value in 1972, according to *Planned Economy*.

As the gap between town and country widens and labour force becomes a commodity, a large rural population flock to the cities. According to apparently watered-down figures recently published by the Soviet magazine *Journalist*, 16.4 million people in the rural areas migrated to the cities during 1959-70, an average of 1.5 million each year. The outflow of rural population has become increasingly serious in recent years, the number reaching 2 million every year.

From 1960 to 1971, it is reported 10 per cent of the tractor and combine drivers quitted the collective farms and 20 per cent the state farms annually. In the last two years, some 3 million were trained in the Soviet Union to operate farm machines, but within a short time, some 2.5 million of them packed up. The Soviet revisionist leading clique admitted that "a serious problem arose owing to the influx of rural population into cities," that "able collective farm members are becom-

ing aged," that "the average age of those working in the fields in some place is 50" and that "about two-thirds of inappropriate labour in production is assumed by women."

Labour Force Becomes Commodity

Press reports describe the Soviet Union's floating workers as coming from two categories. One category involves workers fired at will by industrial enterprises, many of whom were sacked on trumped-up charges. Another involves workers who allegedly "left their posts voluntarily." According to a survey made in 1973 by the Soviet Central Board of Statistics of 1,105 industrial enterprises, 83.4 per cent of these workers left their jobs because of discontent with working conditions, low wages and shortage of living quarters. In other words, they gave up their work because they could not put up with the oppression and exploitation by the bureaucrat-capitalists. It was much the same reason that goaded the peasants into leaving their land and homestead to find work in the cities or elsewhere. Whether the departure was "voluntary" or "involuntary," the fact is clear that Soviet workers and peasants have been reduced to purely hired labourers and the labour force in the Soviet Union has become a commodity.

Opposition of the workers and peasants to the Soviet revisionists' oppression and exploitation often takes the form of strikes, absenteeism and go-slow. Reports say that 66 per cent of all workers in many units under the Ministry of Agriculture in the Moldavian Republic were absentees at one time or another in 1973 and that the absentee rate in Dnepropetrovsk of the Ukraine reached 20 per cent or even as much as 30 per cent last year.

Planned Economy revealed that absenteeism and go-slow accounted for a loss of 59 million work-days in the Soviet industry as a whole in 1972, more than the combined total loss of work-days by strikes in the United States and Britain (26 million and 23.9 million work-days in the two countries respectively).

The enthusiasm for work of the peasants is still lower. The newspaper *Zarya Vostoka* reported that in the collective farms in some regions of Georgia an average of 30.4 per cent of able-bodied members as a rule do not turn up for collective labour. The attendance rate of many farm members is far from meeting the minimum requirements.

Big-scale floating, absenteeism and go-slow on the part of the Soviet workers and peasants have dealt a heavy political blow to the Soviet revisionists and caused them very serious economic losses. Disturbed by the situation, the Soviet revisionist clique is further strengthening its fascist dictatorship. It has set up "legal sections" in factories and instituted so-called "trials by comrades" and "discipline committees" to "try" those who "violate labour discipline"; it held up their wage and bonuses, deprived the workers of their right to welfare, and even dismissed and expelled them. Where there is oppression, however, there is resistance and struggle. The Soviet revisionist clique's high-handed policy is sure to arouse fiercer resistance and struggle of the working people in the country.

APPENDIX III:

Report of a Recent Visit to the USSR

Editor's note: the following is a report of a member of the Revolutionary Union who visited the Soviet Union for three weeks in June, 1974 as part of a delegation of political economists from the United States.

When our delegation met with officials or university economists at the various "Friendship Houses" or elsewhere, we always introduced ourselves as radical political economists, including communists and Marxist-Leninists and also other progressive people united in the work of making revolutionary change in the U.S. We said we had come to the Soviet Union to learn what we could about the economy and the society more generally, to bring back what lessons we could. NOT ONCE DID ANYONE PICK UP ON THIS. No one asked, "How's it going?" or "What problems do you face?" or in any way indicate interest in that conception of what we were about.

On the contrary, we met cynicism. Two particular examples stand out. In Moscow, some of us had a long discussion with Alexander Bikov, a high level government economist specializing in trade relations and development in South Asia. After he described the Soviet view of peaceful coexistence and East-West trade, he was asked how the crisis of imperialism and prospects for revolutionary movements in the U.S. entered into the Soviet picture. *He laughed.* He said we were being simplistic, that the Soviet Union was "not dealing with a corpse", and that it was idle to "speculate" about when revolutionary changes might develop. "Will it be next week? In fifty years? Tell me, when do you think it will be?" he grinned.

Meeting with members of the Armenian Academy of Sciences in Yerevan, the Armenian capital, the question of impeachment of Nixon came up, as it did in most discussions. The Soviets said that Nixon would not be successfully impeached. We laid out a view of the crisis of imperialism and the consequent political and ideological crisis which requires a restoration of confidence in the bourgeois state among the U.S. people. They said it was a "good class analysis", and added that "the bourgeoisie will surely win. The bourgeoisie will surely fool the American people."

This cynicism was matched by a widespread

careerism with respect to the Party. We asked students and others we met why they wanted to join the Communist Party, and the answer invariably had to do with a desire to "be the director", "be a professor instead of an assistant so that I can do the work I'm interested in", be in positions of power, make more money or travel abroad. Party members also said the same thing. One sociologist openly said that he joined the Party because "if you're smart you know what way the wind is blowing and you play the game. I want security when I get older, and being a professor will give me that."

A group of children 12-15 years old was at a beach we visited in Kiev. We asked them what they wanted to do when they grew up, and they all answered doctor, engineer, director, etc. No one wanted to drive a truck, build housing projects, or anything like that. We learned that anyone with advanced training, in engineering or other fields, is not *allowed* to be a production worker because that would be a "waste" of the State resources that went into the training.

Everyone complains about the bureaucracy, including Party people, who acknowledge the problem. Stories of bribery and corruption are regular, but not specific. We heard that Georgia and Armenia are particularly well-known for shady deals. Land for a private dacha (country home) can evidently be purchased for a 3% bribe to a local official. Our delegation had no direct dealings with the bureaucracy because our tour guide was the go-between, but we learned that we got tickets for the circus which was "sold out", after a ball point pen and a U.S. political button were given to the box-office clerk, together with the money for the tickets. In Kiev, I was told that for a large bribe, nationality on passports can be changed to something other than Jewish.

Pilfering and appropriation of State resources for private use came to our attention as well. Late at night, buses (a kind not used for regular public transportation) can be hailed on the street, and the driver will take you across town for a ruble (1.34), which he keeps. We were told that someone had picked a bed of tulips and sold the flowers, was arrested and sentenced to five years

in jail. The same person who told us this was proud of the stereo he had built for his apartment, using components stolen by himself and his wife from the electronics enterprises where they work as engineers. He said that kind of thing is common. (He played Carole King, Simon and Garfunkle and Aretha Franklin records, as well as some Russian folk dances and Russian rock 'n' roll and "big band" music.)

Western influence in music is great, even in Armenia. Young people are very interested in a variety of U.S. and British groups—Creedence Clearwater, Kris Kristofferson, the Beatles and others. The radio stations play a lot of rock and pop music, either U.S. or Russian imitations. In the evening on Yerevan's Lenin Square, loudspeakers play "Billy Joe McAllister Jumped Off the Tallahatchie Bridge", and in the morning a hideous arrangement of "Hernando's Hideaway", for organ and 1001 Strings, comes over the hotel loudspeaker.

In every city we visited, we were approached by young people wanting to buy blue jeans, other clothing or chewing gum. I was offered 12 rubles for a pair of jeans, which I later learned often sell on the street for as much as 70 rubles. Occasional offers for currency exchange (two rubles for a dollar, and sometimes as high as four rubles) came along or in connection with interest in blue jeans. Some young Australian tourists told me that they had been offered hashish for sale on four different occasions on the Nevsky Prospekt, one of the main streets of Leningrad. In Moscow, the going price for prostitution is 5 rubles a trick, with business centered at the posh downtown hotels.

Western currency gains special importance in connection with the so-called "hard currency shops." These stores carry Soviet and imported goods, principally for tourists, but also for any Soviet citizen with Western "hard" currency. Prices are given in rubles, but rubles are not accepted as currency in these stores. The price is converted into whatever currency one has, at official exchange rates. Most of the displayed goods are gift-type things, but one can also buy shoes, clothing, television sets and other appliances and even automobiles.

Although almost all of the goods in these shops are available in regular Soviet stores, there is often a big price advantage, especially on alcohol and expensive goods. For example, our guide was preparing to buy a car in a hard currency shop for 1000 rubles which costs 5500 rubles to a person without hard currency. Television sets sell for about 40% of the regular cost. Soviet citizens have legal access to foreign currency if they work abroad and are paid in foreign currency, if money is sent to them by relatives abroad, if they receive royalties from sale of publications abroad, and possibly in some other ways. Our guide, for example, worked for two years in the Soviet embassy in Washington and brought back a considerable amount of dollars, which he was allowed to keep as hard

currency in a special type of bank account.

Before leaving for the USSR, the delegation decided not to change money except through official banks and exchanges. Towards the end of the trip, it came out that several delegates had been exchanging money with our guide, sometimes at the official rate, sometimes 1:1. Some of us felt that these transactions should stop, and raised the issue at a group meeting.

The three CPUSA members of the delegation took the lead in opposing reversal. They made several interesting arguments. "Did you come here to teach morality?" "It's not a lot of money" (\$100-200). "Those of you who exchanged money are already guilty so you better keep quiet." "The only time you need receipts to get out of the country is if you have more money leaving than you had coming in." "What's the matter, didn't you ever do anything illegal in the U.S.?" "It wasn't illegal because the guide says guides are authorized to change money in emergencies outside of banking hours." In a narrow vote, it was decided "not to make waves."

Everywhere in the Soviet Union memory of WW 2 is kept alive. There are monuments, museums, movies and TV shows (documentary and fictional drama). In each restored room of the Summer Palace, there is a photograph of the room as it was left by the retreating Nazis. Older people who fought in the war are proud of their participation and the role of the USSR. A bus driver in Kiev told me that he had fought in Brno, Dresden and Berlin, and an old man some of us met in a small village on the edge of Moscow said he fought in the Leningrad Blockade and took off his shirt to show the scars.

The Soviet people certainly have cause for pride and remembrance. Over 20 million Soviet people died during the war. When the Western capitalist powers finally got around to opening a second front in Europe in 1944, five out of every six German divisions were on the Eastern front, and the invasion was still very nearly thrown back. Leningrad was under siege for 900 days, and over 500,000 people there died in that period, mostly of starvation. Kiev was 80% destroyed, but resistance was never-ending, as in Stalingrad and all over the country.

Out of all this, the war is preserved by the social-imperialists only to put forth the line that "war is hell", that only madmen want war (covering over the difference between just and unjust wars), that war must be avoided at all costs, etc. All the political and military lessons are gutted out, and pacifism is upheld. This, of course, is necessary to bolster the revisionist line on peaceful coexistence, peaceful transition to socialism, and Stalin.

Stalin is not mentioned, even in the most ob-

vious opportunities. For example, Armenia now has an extensive system of irrigation and hydro-electric plants along the Razdan River, utilizing the resources of the large Sevan Lake. Our Armenian guide told us that the projects were begun in 1939 and completed in 1950, but never mentioned Stalin. Instead, the guide mentioned a telegram Lenin sent in 1920 to the Central Committee of the Armenian Party recommending the development of Lake Sevan for irrigation and hydro-electric power. Stalin's role in building socialism and conducting class struggle in the 1920s and 1930s is also never discussed.

An Armenian historian I spoke to explained that Stalin is not discussed because "it would be very disruptive," and that it is now irrelevant to have the whole debate over Stalin because it doesn't bear on the immediate tasks of building socialism through the increase in productive forces. He said that on the one hand, the Chinese are using the question of Stalin to attack the current Soviet leadership and divide them from the development of socialism in the USSR, and on the other hand the Western powers use Stalin to generate anti-communism. I asked why a principled defense of Stalin was not the best response in this situation, and he repeated that it would be irrelevant and "very disruptive." He added that many people in the Soviet Union are more favorable to Stalin than the official line, as he himself seemed to be. When pushed further on Stalin, the historian repeated that it would be disruptive and irrelevant to have the debate, since the 20th Congress documents had already been discussed, and there was no sense repeating the whole thing now.

The outrageous and distorted Soviet view of China came out in a number of conversations and publications. Although it was never laid out fully all at once, the main points amount to this: China was doing well and developing under the guidance of the Soviet Union until 1960. Then, the Chinese leadership expelled Soviet technicians and embarked on the petty-bourgeois course of self-reliance. This had its root in the national chauvinism of China, which wants to dominate the world and the socialist camp in particular. Self-reliance divorced China from aid from the Soviet Union and from "guaranteed markets" for Chinese goods in the Soviet Union. Without Soviet aid and markets, China has stagnated economically and is incapable of developing productive forces as the basis of building socialism and moving to communism.

Being cut off from the real basis for socialist construction (growing productive forces), the Chinese have been forced to concoct "metaphysical solutions" to socialist construction, such as stress on the subjective factor (the slogan "men are decisive, not machines" is a prime example in the revisionists' view of Chinese "metaphysics") and a deepening stress on

self-reliance. To divert the Chinese people from the hardships of life, the CPC leadership has embarked on international adventurism, stirring up trouble on the Soviet border and meddling in European Security Conference preparations of the USSR.

These "metaphysical approaches" are creating worsening conditions in China and leading the Chinese leadership to make wilder and wilder attacks on the USSR and Marxism-Leninism. These "left deviations" from Marxism-Leninism stem from the national chauvinism of the Chinese, and from the petty-bourgeois peasant base of the CPC. Hopefully in the future, the Chinese will come to their senses and realize the correct Marxist-Leninist path, especially after the current leadership dies.

The Soviet revisionists' line on China is drawn out further in their comparison of the prospects for India and China. A. Bikov, the "expert" on Asia who laughed at our question about revolutionary developments in the U.S., declared that India clearly had better chances for development and progress for its people than China. After explaining that China had cut itself off from Soviet aid and markets, making it impossible for China to develop productive capacity, he said that India had chances for progress because it was "open to American and Soviet influence."

I was surprised by the openly reactionary character of this line, having expected more subtlety than an equation of U.S. and Soviet influence as progressive forces in the Third World.

The Soviet revisionists try to justify their entire line with the "theory of productive forces." This theory says basically that social relations cannot change until the material basis for these changes has been laid in the organization and level of production, and severely downgrades the role social relations play in socialist construction. The CPSU cannot totally ignore social relations and their importance as a basis for development of productive forces. But they restrict their attention to the most narrow possible interpretation, saying only that socialist relations of production already exist in the Soviet Union because there is no private capital, no privately employed labor, and therefore no bourgeoisie. What remains, they claim, is to take advantage of the opportunities now opening up for expanding production. *The present emphasis is entirely on increasing productivity, expanding enterprise profit, and reorganizing and consolidating (concentrating) productive capacity to expand output as rapidly as possible. They say that it will be possible to advance the socialist consciousness of the Soviet people only when material production advances, especially in the consumer goods industries.*

These ideas came out most clearly in a long discussion we had with one CP member, the only one we met who seemed to be seriously interested in figuring out how to make socialism and communism in the Soviet Union. He said that at the present time, the Soviet people do not con-

trol the social institutions. This, he said, was the other side of the problem of bureaucracy and careerism, which he saw as major problems in Soviet society holding back the development of communism and "Soviet socialist man." To solve the problem, he said, it is necessary to improve the people's living standards and to educate people to Marxism-Leninism so they will learn the socialist and communist ideology of cooperation and sharing.

Ideological study, he continued, becomes sloganeering and empty in the absence of material advances for the people. Moral incentives amount to exhortation, which can be used effectively for only a limited period of "revolutionary enthusiasm", long since passed in the Soviet Union. In the long run, one must return to the material basis of progress, production itself. Material incentives for workers (bonuses, opportunities for vacations at special resorts, etc.) should be emphasized, but there is an important role for moral incentives in the form of "socialist emulation."

"Socialist emulation" campaigns operate all the time. In factories and universities, one sees pictures of the best workers and students prominently displayed, and it is considered an honor to be chosen. But even the socialist emulation boils down to productivity, since the "best" students are the ones with the highest grades in their courses, and the "best" workers are the ones who produce the most or most contribute to production through innovative ideas about technique. This is the direct result of the idea that building socialism amounts to increasing production, which sets the terms of the "moral" as well as the material incentives.

Some of us in the delegation disagreed with this "strategy" for developing "Soviet socialist man" by pointing out that socialism and socialist consciousness develop in struggle against capitalism and bourgeois consciousness, not in a mechanical development of production plus "education." We said that it would be more useful to look at the bureaucracy and careerism in the Soviet Union as reflections of the fact that capitalism has been restored there.

A fundamental law of development and dialectics is that change and progress occur through the struggle of opposites, and that society develops through class struggle. This way of looking at the question seemed to mystify the CPSU member (it was certainly not a problem of translation or some other purely language problem), who responded that there was no bourgeoisie in the Soviet Union, and therefore there was no class struggle of an antagonistic nature. He agreed that in capitalist countries, communists developed in the class struggle, but that in a socialist country, where there was no privately employed labor and therefore no bourgeoisie and no material basis for bourgeois ideology or class struggle, new forms of developing communism had to be discovered.

When one divorces the building of socialism from class struggle, many problems arise. Take, for example, the question of incentives. The problem is traditionally posed as a choice between material and moral incentives. But this is a misleading way of posing the differences. Socialist incentives involve the application of *class consciousness* to production and every other problem, whereas bourgeois incentives involve competition and division among people, each striving for individual attention or advancement.

Class consciousness is not a moral question. Class conscious solutions to production *do* advance the needs and interests of working people, but the individual grasps the solution not principally because of his or her *particular individual* interest, but because of the interest of the class as a whole, through which the individual's interests are best served. It is certainly a good thing for class conscious activity to guide the development of society, but that doesn't make it a "moral" question. It is a question of scientifically and correctly assessing the needs of the period, summed up out of the experiences and needs of the people, preparing a plan or program to meet those needs *in a way which will advance the class consciousness of the people so that they themselves will be more effective instruments of socialist construction*, and then winning people politically and ideologically to the plan or program.

Socialism certainly involves the expansion of production and the development of productive forces. But this is the result of revolutionizing the relations of production through the ever-deepening class conscious control of the working class over production (and all other aspects of society).

The theory of productive forces has led to the separation of ideology and class consciousness from the everyday work of production and social organization. By reserving ideology for the narrowest and most general statements (socialism is good, co-operation is good), the actual planning and carrying out of production in the Soviet Union is based on pragmatism and the principles of efficiency and profit. This is reflected further in the attitude of many Soviet students that political education is a separate subject, removed from the "practical" methods required for the solution to the pressing problems of the society. It has also led to the generally low level of political and ideological awareness.

The political and ideological leadership of the Soviet Union, the CPSU, through the theory of productive forces, effectively belittles class consciousness by restricting class antagonism to the narrowest conception of legal property relations. This denies the material force of ideas and bourgeois ideology, denies the great variety of ways in which capitalist relations can be introduced to contradict socialist relations, and denies the richness and generality of class struggle which is the essence of socialist construction.

The CPSU agrees (reluctantly) that China is a socialist country and that India is a capitalist country. But the theory of productive forces justifies the CPSU position that a capitalist country, India, has greater potential for progress and development than a socialist country, China. This abandonment of class struggle and acceptance of capitalism is further reflected in the CPSU policies towards India, which is to support the ruling (and ruling class) Congress Party, while maintaining the Communist Party of India (CPI) as an instrument to sidetrack and even denounce class struggle, as for example in the recent strike of railroad workers in India, in which over 7000 militants were arrested.

National chauvinism and racism show up in a number of ways in Soviet society. At a fancy Georgian restaurant in Moscow, there is a mural showing a prince and a soldier standing on a palace patio, with two brawny, shirtless Black men in the foreground running away. Under the arm of one of the Black men is a wan, terrified white woman.

We were told (by CPUSA members in our delegation) that this was not racist because it depicts a story of slaves of one prince kidnaping the woman from the prince in the mural, and so the Black men are not going to rape her, but are only doing their job. Besides, it is widely known that such slaves were eunuchs, so the mural doesn't carry the racist connotations it would in the U.S. Still, African men studying in the Soviet Union are discouraged from dating white Soviet women, and are sometimes called in for discussion if they do.

The chauvinist attitude toward China is apparent in the assertion that China can't develop without Soviet aid. It is also carried in the culture, as for example in Yevtushenko's poetry about "yellow hordes." This theme is also carried into Soviet anti-China propaganda. In defending peaceful coexistence and "detente" against Chinese criticism, the CPSU says that China wants another world war because China knows that when it is over, China will have 400 million people left and can take over the world.

An outstanding example of blatant racism was a cartoon showing on an outdoor movie screen in downtown Moscow. Loudspeakers on the broad sidewalk played the sound-track, which was only music, so the images on the screen were the entire substance. There were two casts of characters. One set was white-skinned, had blond or red hair and small facial features. The other set had large, bulbous red noses, bushy hair, thick features, and red skin shading periodically into black.

The bulbous-nosed people were total incompetents and buffoons. They couldn't play soccer, they couldn't cook (on their jungle pot), they didn't understand about medical care and freaked out at injections. The other set of characters were there to set the primitives straight and

show them how to do these things. But the whole thing was a cartoon, designed to be funny, and the butt of the jokes and slapstick were the bushy-haired people. The cartoon ran for 10-15 minutes, and then after a pause of a couple of minutes was repeated in a kind of continuous showing for evening shoppers, tourists and others out for the evening.

Within the Soviet Union, we had limited contact with minority nationalities, visiting Kiev in the Ukraine and Yerevan in Armenia. Each of the fifteen Soviet Republics has its own language, and schools are generally conducted in that language, with Russian as a voluntary second language. The everyday language of commerce and cultural life is the local language, although Russian is the official language everywhere. Local art and handicraft, dance, song and music are preserved in the schools and in popular culture.

The language of instruction through the university level is the local language, but the language of the most important and prestigious Soviet institutes and universities, concentrated in Moscow and Leningrad, is Russian. Admission to these institutions is done according to competitive examination, which must be taken in Russian. While visiting Moscow University, we had a special guide who spoke no English, and so our regular guide translated our questions and her answers. When we asked about the proportion of students enrolled from minority nationalities, our regular guide told us that was too technical a question, and refused even to translate it.

During Stalin's time, there was a policy of favoring poorer regions and republics, where there was a large concentration of minority nationalities, with compensatory investment funds to aid in national development and diversify the economic base of the country as a whole. We did not get a clear sense of current policy in this regard on our tour, and got no new data on investment trends by region or republic. But two articles in a recent issue of *Slavic Review* (Vol. 31, No. 3, September 1973) give some information.

David Hooson writes that "The doctrine of equalization of economic development retains much of the ideological appeal of fifty years ago, but is being applied largely to the outlying parts of the Russian Republic (Siberia) rather than to other peripheral republics." (p.553)

In "Some Aspects of Regional Development in Soviet Central Asia", Ann Sheehy reports that "the development gap between the Central Asian, and also Azerbaijan and Kazakh, republics and the rest of the country expressed in national income produced per capita increased throughout the decade" of the 1960s, reversing the historical trend towards equalization. She says that in 1965, per capita income in the Central Asian republics was 62% of the all-union average. These reversals are occurring despite *planned* targets of

more equalization.

Sheehy relies on Soviet newspapers and journals to document increasing frictions between the people of the minority republics and Russia itself. In the 1960s, Uzbeks challenged the rapacious Russian use of Uzbek natural gas, and insisted on retaining more for local development. Disputes over training of technical workers have increased as "the development of industry has outstripped the training of local workers" in recent years. When a factory is set up in a minority republic, Russian workers are imported to take the skilled and even unskilled jobs. Sheehy provides the following data on the influx of Russian population in selected areas of economic development:

**1959-1970 Increase in Russian Population
in Selected Areas**

Area	Increase in Russian Population	% Increase
Bukhara Oblast (natural gas, gold)	60,000	124
Kzyl-Orda Oblast (Tiuratum Space Complex)	42,000	83
Guriev Oblast (oil)	77,000	128
Russian population increase in entire country		13

The factories are run in the Russian language, which greatly limits the number of local workers who can get jobs in them. "At the 1970 census only some 15-20% of Uzbeks, Tadzhiks, Turkmens, and Kirghiz claimed to have a good command of the language." (p. 561) Local people do not want to move out of the countryside into "Russianized" towns and factories.

Why does the CPSU raise the bourgeois theory of productive forces to a principle in their polemics against China's socialism? Why does the Soviet Union propagate national chauvinism and racism?

These wrong and bourgeois ideas are reflections of the essentially capitalist nature of present Soviet society. Bourgeois ideas also exist in socialist countries, preserved by those who want to restore capitalism and defeat the working class. In socialist China today, the class struggle against bourgeois ideas and methods of organization continues under the leadership of the Chinese Communist Party, which expects the struggle to continue for many decades.

But while bourgeois ideas have existed in the Soviet Union throughout its history, the situation today is qualitatively different from the period of socialism in the USSR. Today, bourgeois ideas are official policy, and open struggle against them is not allowed. Revisionism, the interpreta-

tion of Marxism-Leninism which denies class antagonism and class struggle, has in recent years become official doctrine, in line with the recent restoration of capitalist relations of production in the Soviet Union.

The Soviet revisionists, of course, hotly deny that the Soviet Union is a capitalist country, and many people don't see how it is possible that the first socialist country could now be capitalist. The Soviet Union is capitalist because the class that produces things in the Soviet Union does not control what it produces, does not control how it will produce, and does not control how the product should be distributed. Instead, this control is effectively in the hands of state planners and managers in factories and farms, aided by technical experts and the trade union leadership.

We are used to thinking of capitalism in terms of individual capitalists, competing to one degree or another and each owning individual means of production. In the Soviet Union, there are examples of individual private entrepreneurs, as reported in a number of quotes from *Pravda* given in the pamphlet "Khrushchev's Phoney Communism", published by the Foreign Languages Press in Peking. But this form of capitalism is not the chief feature of modern Soviet capitalism, because capitalism was recently restored after the means of production had already basically been completely centralized under socialist state control. In these particular historical circumstances, bourgeois rule takes the form of *state capitalism*.

The planning apparatus still exists, and some of the decentralization tried under Khrushchev has recently been reversed. But in our discussions with enterprise managers, two important features of the planning process came out. First, all plans originate at the enterprise level, and are then submitted to higher authorities for review. In no case were we told of an example where higher authorities altered the submitted plan in any important respect.

Secondly, enterprises are allowed to keep one-third of their after-tax profits for reinvestment *outside the plan*; i.e., managers are free to invest profits in expanding capacity or buying up other plants in the same branch of industry (conglomerates are not allowed) in any way that seems most profitable. Any productive capacity built or acquired then comes under the plan for production, but these plans again originate with the enterprise. So even with the planning apparatus inherited from socialism, some essential features of capitalism have emerged as part of the process of expanding capital.

Within the Soviet Union, there are a number of social conditions which are well advanced over the U.S. and many other capitalist countries. Housing is relatively cheap, costing less than 10% of the minimum wage for a new apartment. Mass transit is in general very good within cities, although inter-urban travel is more backward.

The cities are clean, and medical care is free and generally available. Supporters of the Soviet Union often point to these accomplishments as proof of the existence of socialism.

There are two problems with this. First, much of the transportation, housing, and medical programs were established while the USSR was still a socialist country, and their continued existence is a reflection of that history and not necessarily a result of current initiative. Secondly, and more important, the conditions of housing, etc., are not the *decisive* characteristic of socialism. Many capitalist countries have good subway systems (France, England, Canada), and a number have well developed social welfare programs to subsidize housing, medical care, etc. Socialism is distinct from capitalism on the basis of production relations, whether or not the working class controls production and all aspects of society, exercising dictatorship over the remnants of exploiting classes and waging relentless class struggle against them.

On this ground, the Soviet Union fails the test. Enterprise managers can hire and fire labor in response to profit requirements at their own discretion. There are "joint production conferences" in which labor and management representatives sit down to determine the method of plan implementation, but it is indicative of the power relations that we never were allowed to talk with workers in any factory. Instead, we always met with the enterprise director and a trade union official.

The director was always in charge of the meeting, answered almost all of the questions, and set the tone of the interview. In our contacts with workers on the street and informally, we asked what role ordinary workers had in formulating plans and building socialism. We heard a variety of answers, but they all boiled down to what one transport mechanic said in Kiev: "It's very simple. The workers work." The work force is told what the production targets are by the management, and encouraged to accomplish the goal by the management and the trade union officials.

The rise of modern Soviet state capitalism is very different from the history of other capitalist countries. It has emerged with highly developed and centralized productive capacity and the need for markets and raw materials on a large scale. Because the USSR was the first socialist country, it also had close economic, political and military ties with a number of countries in East Europe and the Third World, and enjoyed great prestige among progressive people all over the world. When socialism was reversed and capitalism restored, these ties and prestige were the basis for extensive foreign interventions which amount to a very powerful imperialism.

Like any imperialist power, the USSR seeks to integrate the political and economic life of other countries around its own needs, placing itself at the hub of an international network of markets,

treaties, and trade agreements. It seeks hegemony in its own "sphere of influence", treats its "allies" as secondary and dependent states, and tries to expand its "sphere of influence" at the expense of other imperialist powers, especially the U.S.

But Soviet imperialism is conducted under the guise of socialist ideology, with talk of international solidarity and the responsibilities of one socialist country to the peoples of other countries. Soviet imperialism is socialist in words, but it is capitalist and imperialist in essence, which is why it is called "social-imperialism."

The particulars of Soviet social-imperialism are varied and require more detailed study, although information gained on the trip confirmed and somewhat elaborated the general outline of Soviet control. It is clear, for example, that the countries of East Europe, the COMECON and Warsaw Pact countries, are linked in a subordinate way to the hub of the Soviet economy under the cover-up slogan "international socialist division of labor."

The Soviet Union seeks to integrate the plans of the East European economies into its own import and export requirements. The manufacture of buses and other transportation equipment in Hungary, for example, is directly tied to Soviet needs and markets, and changes in those needs have been reflected in a redirection of Hungary's output. This was "explained" to us in the Soviet Union with the view that it would be senseless, after all, for the Hungarians to produce things for which there was no market.

When Czechoslovakia sought to expand its trade relations with West Europe and the U.S. in 1967 and 1968, in an attempt to diversify its international contacts and become less dependent upon the Soviet Union, the country was openly invaded and militarily suppressed. At the time, the USSR did not try to hide its displeasure at the proposed reduction in trade and economic integration between the USSR and Czechoslovakia, and this attitude was repeated again in discussions with trade officials and economists on the trip. At the same time, the Soviet Union seeks *for itself* much greater trade ties and markets with the West.

The method of providing "foreign aid" to underdeveloped countries is again indicative of social-imperialism. In India, for example, the Soviet Union enters into contracts with the Indian government to aid in constructing productive facilities. In negotiating the contracts, the Soviet Union agrees to supply from its own production a certain amount of materials needed for construction in India. In return, India will repay the loan (with interest) by shipping to the Soviet Union a part of the output of the new facility, together with shipments of traditional Indian products. The prices at which these material goods are valued are sometimes world prices, sometimes prices specially negotiated in the contract.

For example, if the Soviet Union aids in the construction of a cement factory, it will ship to India some steel and other goods used in building the factory, and in return India will ship cement to the Soviet Union. In negotiating the contracts and deciding what kinds of projects to support, the Soviet officials pay attention to the export requirements of Soviet production, and also to the import needs anticipated for future growth. It finances those projects in underdeveloped countries which "fit" into the Soviet economy. Soviet officials quickly add that these projects also materially aid the underdeveloped country by providing jobs and a more advanced level of productive forces, a view remarkably similar to what Gulf Oil Co. says about its operations in Angola.

Many people concede that the Soviet Union has raised revisionism to a principle, but still see the USSR as a progressive anti-imperialist force in the world because it "aids" Cuba and provides arms to certain Third World national liberation struggles. The Soviet Union provided no aid at all to the Cuban war against Batista, and struck up relations with Castro only after the U.S. imposed an embargo and economic boycott. These relations quickly resulted in the positioning of military bases and Soviet-controlled missiles in Cuba in 1962, and in an economic dependence of Cuba on the USSR. Cuba remains today a basically one-crop economy (sugar), which the USSR buys up in exchange for political and ideological support from Castro and the possibility of extending its influence throughout Latin America. The Soviet Union may not need all the sugar it buys from Cuba, but it certainly needs Castro's voice in defense of social-imperialism at international conferences of Third World countries, such as the recent meeting in Algiers.

We know from our experience with U.S. imperialism that foreign relations and economic ties are complex and often cannot be analyzed in strict dollar terms for any particular country. U.S. involvement in Vietnam had more to do with global strategies for containing national liberation movements and China than it had to do with particular resources available in Vietnam. Social-imperialism also has a broad strategy, that of "peaceful transition", "peaceful coexistence", "peaceful competition", and "international division of labor." All of these things gut class struggle out of national and international affairs, deny the "relevance" of revolution, and seek to place countries throughout the world at the disposal of the USSR.

The Soviet Union provides arms to some national liberation movements, *once those revolutionary struggles are well underway* and can no longer be ignored by a country claiming to be socialist. But the arms are sold, not given, and wherever possible the USSR uses its political influence to mute the struggle. This can be seen in its policies of peaceful transition in Chile, and its program for negotiation with Portugal in Mozam-

bique and Angola, combined with the strike-breaking activity of the Communist Party in Portugal itself.

The social-imperialism of the USSR comes into conflict with the imperialism of the U.S. and other monopoly capitalist countries. The search for markets, raw materials and political control—the extension of Soviet spheres of influence—is colliding with U.S. interests in Asia, Europe, the Middle East, Africa and Latin America. This rivalry is not at all about the independence of other countries, but concerns which big power will have supremacy in the world.

When the U.S. replaced England as the major power in Iran or Egypt, the change did not give those countries independence. Soviet attempts to replace the U.S. as the major power in India hold no promise of independence for India. For the Indian people, the USSR does not represent a path to national liberation, even though Soviet activity there does weaken U.S. and British imperialism. Only the Indian people, organized and united around the Indian working class and consciously opposed to all imperialism, can win independence and build socialism, relying first and foremost on themselves.

The Soviet Union holds out the hope for peace. In a pamphlet entitled "Why We Need Disarmament" (by Igor Glagolev, Novosti Press, 1973), the backward notion that "the danger of war remains since the imperialist powers persist in their arms drive" (p. 54) is advanced to support the idea that peace can come through disarmament. If only we can get the imperialists to give up their weapons, then there will be no war. Wonderful. We are that "A number of measures to limit arms and bring about disarmament have been taken by some countries since the 24th CPSU Congress. This shows that the forces of peace are stronger than those of war and aggression." (p. 52)

For all this talk, the Soviet military budget, and that of the U.S. and other imperialist countries, continues to grow each year. And this must be, because military power and wars arise out of imperialist rivalries for markets and political hegemony, not out of the evil minds of some munitions makers and legislators who can be outvoted by an aroused people. Stalin said, "To eliminate the inevitability of war, it is necessary to abolish imperialism." But of course Stalin is out of favor now, and this quote and the class stand it represents do not appear any longer in the official line of the CPSU.

The danger of world war is in fact increasing, not decreasing. The rivalries among imperialists, especially between the U.S. and USSR, are growing deeper. Whether in the Middle East, in the Mediterranean, India / Pakistan, or Latin America, these two superpowers are involved behind the scenes in military adventures, coups, and all-out war. These conflicts in turn come from the difficulties and near-panic of U.S. imperialism, challenged everywhere by rising national move-

ments, increased competition from Europe and Japan, and also from the recent appearance of the Soviet Union as a major imperialist power hungry for markets and hegemony of its own. Both WW 1 and WW 2 grew out of similar conditions of rapid realignment and attempts by newly emerging imperialist powers (especially Germany) for world power.

One of the most important lessons of Marxism is that capitalism operates according to laws which function independently of people's wills. We find our freedom and make progress within the bounds of these laws of social development, not by making up fantasies and trying to realize them. No amount of resolutions for peace can change the basis of imperialist wars, or remove the reality of current growing rivalries among imperialist powers, especially between the U.S. and USSR. As the Chinese point out, either revolution will prevent world war, or world war will give rise to revolution.

Within the Soviet Union itself, the situation is extremely difficult for the working class and its

allies. Internal control over media, political organization, trade unions, etc., is very great, and opposition is a difficult task. As visitors, we didn't get any direct sense of organized opposition, although in some cases there was indication that people opposed current policies. The writings of Marx and Lenin (but not Mao) are freely available, and many older people remember socialism first hand. These conditions provide the basis of progress against capitalism. But Marx and Lenin are claimed by the Soviet capitalists and turned around to justify capitalist restoration, national chauvinism, etc.

The difficulty this poses for communist forces is reflected in an exchange some of us had with an older bus driver in Kiev, who pretty much summed up the whole impression we got in the USSR. He was telling us proudly about how he fought to defeat the fascists in WW 2, naming all the major battles he was in. We asked him if he was a communist, a member of the CPSU. He roared with laughter and said, "No! I'm not a communist. I'm a *worker!*"

APPENDIX IV:

ON THE REPORT OF THE CENTRAL COMMITTEE OF THE COMMUNIST PARTY OF THE SOVIET UNION DELIVERED BY COMRADE KHRUSHCHEV TO THE TWENTIETH PARTY CONGRESS

The following report was given by a trade union section organizer of the Communist Party, USA in 1956, shortly after the reports of the 20th Congress of the Communist Party of the Soviet Union (CPSU) were received in the U.S. It is presented here because it contains a thorough refutation of the spurious ideological theses that were the first overt

indication of the revisionist takeover of the Central Committee of the CPSU. This paper is also printed to indicate that struggle against the revisionist line in the CPUSA did occur at that time, although not as well organized or widespread as necessary. The person who wrote the report is presently a leading member of the RU.—Ed.

(This report was begun within days of the receipt here of the reports from the 20th Congress. It was finished a few days following the printing in the U.S. of the so-called "secret report." It was delivered in appropriate bodies and forwarded to appropriate committees. It is reproduced here exactly as then given and with no changes. However, two small additions were made in response to questions then raised and as a result of the discussions. These are additions made in the course of giving the report and are included here, clearly indicated by being enclosed in parentheses.)

I choose to write out my discussion of the report largely because of the present necessity to organize my several objections to its conclusions in as clear and as Marxist a way as I am capable of. I am hampered, of course, as is everyone by the yet insufficient documentation of many of the conclusions, and, also, I am hampered by personal limitations, insufficient research in the classical documents of Marxism-Leninism, and a knowledge of the material relations in the capitalist and socialist worlds that is more superficial than profound. Nevertheless, my objections to the report are based on my present understanding and a serious examination of those documents I have seen.

My objections are as follows: The formulation on the present "non-inevitability of war," a difference in the assessment of reasons for the lessening of tensions through Soviet success in peace actions, a question on developments in former colonial countries and the so-called "zone of peace," a difference in principle, perhaps minor, on a question of Party organization, and a disagreement both as to method and content on the re-evaluation of Stalin.

In addition, tentatively and timidly, I venture a pair of formulations: One, on an aspect of the road from bourgeois democracy to socialism in countries recently liberated from colonial domination, and, the other, on peaks and lulls of the revolutionary movement in capitalist countries. These are tentative and timid because I have no basis for an extreme confidence in my ability to creatively apply Marxism-Leninism no matter how diligent and serious my attempt. In no sense are they offered in the spirit of, "You are wrong, Comrade Khrushchev; this is the

correct way to approach the question." They are offered because I have arrived at them in the process of trying to understand the world situation through a consideration of the report of Comrade Khrushchev.

Before I begin, a word on dogmatism. It is absolutely true that dogmatism has no place in Marxism; in fact, they are ideological enemies. There are no sacred cows, no unchanging principles of action in Marxism. This could not be otherwise—Marxism is based on an understanding of the universality of change, and Marxism, if it is not to be reduced to sterile formulas, can be no exception to that universality. As relationships change in a concrete and qualitatively different way, so change the laws of the interaction of these relationships, and so are changed the necessary courses of action to further develop the partisan struggle of the working class.

There are many examples of this change in the hundred year old history of Marxism. Socialism in one country, the advance to socialism in those countries where the contradictions are most severe as opposed to the idea that socialism will come first to the most developed capitalist countries, the distinction between moribund and expanding capitalism, the role of the peasantry in the proletarian revolution, are only a few of the many developments in Marxist theory and practice that have occurred.

Moreover, in addition to change in life producing change in practice, there is also the advancement of information and science, including Marxist science, making it possible for Marxists of a later day to examine more concretely and more thoroughly certain aspects of revolutionary struggle than was possible for earlier Marxists. So if I have objection to some of the theses in the report of the Central Committee of the Communist Party of the Soviet Union, it is not mere difference from the more traditional formulations that disturbs me. Rather, my concern is directed to whether or not the report fully establishes the basis for replacement of the old formulation with the new.

The Inevitability of War

In regard to the thesis of Comrade Khrushchev that war is no longer inevitable: It seems to me that the picture he paints is a rosy, unrealistic

one, not supported by the laws of capitalist development or deterioration. He cited two reasons why war is no longer inevitable: The growing strength of the socialist world, and the strength of the world peace forces including the "zone of peace."

There is a third point that Comrade Khrushchev raises in the earlier section of the report on relaxation of tensions and which applies here, though Comrade Khrushchev may not have so intended. This third point is the growing awareness of capitalist circles as to what war would mean and their knowledge of the invincibility of the Soviet Union. I will discuss this also, even though Comrade Khrushchev does not list it as a specific factor in his argument, because when others maintain the thesis on "non-inevitability", this point is always brought in to buttress the case.

It is true that the points Comrade Khrushchev raises act of deterrents to war, but Comrade Khrushchev must answer other questions before he can say that war is no longer inevitable. In fact, there is a glaring contradiction between this point in the report and the parts immediately preceding where he points out how the situation in the capitalist world market has become aggravated; how the contradictions between the imperial tendencies of the chief world powers is bringing them to more and greater conflict; how Anglo-American conflicts have deepened, as have the conflicts between Britain and Japan and Germany; how West Germany and Japan have almost regained their pre-war positions.

No, it is not enough to stress the growing peace strength, or that of the socialist world. What about the fascization of a major capitalist power—is that ruled out as no longer possible? I know that fascism is not inevitable anywhere, but the uneven development of capitalism includes the uneven development of the resistance to capitalism. Can it be held that it will, not can, always be stopped? Or is war still not inevitable if a major capitalist power turns to fascism? Nowhere in the entire report is fascism mentioned, and that, it seems to me, is a glaring weakness of the discussion of peace.

Lenin speaks of imperialism as "the epoch of wars and revolution." Does Comrade Khrushchev's formulation mean that capitalism in major crisis will no longer have the alternative of war but will proceed immediately, nation by nation, peacefully or otherwise, towards social revolution?

It is one thing to make bold new theses. One does not have to be a Marxist to do that. It is quite another thing to make a thesis and establish it on the basis of understanding all the phenomena of social intercourse. I think that Comrade Stalin in *Economic Problems of Socialism* made a much sounder evaluation of the peace question today, more Marxist in that he sees all the phenomena seen by the Central Committee but also recognizes what is basic in capitalist relations. In section six of this profound

work is what I believe to be a masterly presentation of the real relations of the capitalist world and a specific answer to most of the points raised by Comrade Khrushchev. I would like to quote all its few pages but will satisfy myself with its last paragraph:

"What is most likely is that the present-day peace movement, as a movement for the preservation of peace, will, if it succeeds, result in preventing a particular war, in its temporary postponement, in the temporary preservation of a particular peace, in the resignation of a bellicose government and its supersession by another that is prepared, temporarily, to keep the peace. That, of course, will be good. Even very good. But, all the same, it will not be enough to eliminate the inevitability of war between capitalist countries generally. It will not be enough, because for all the successes of the peace movement, imperialism will remain, continue in force—and, consequently, the inevitability of wars will also continue in force."

"To eliminate the inevitability of war, it is necessary to abolish imperialism."

As to the role of the "zone of peace", I believe that Comrade Khrushchev makes the mistake of regarding what is a temporary phenomenon based on the situation of the moment to be, of necessity, durable and lasting, but I will discuss this more fully when I deal with developments in the former colonial countries. In any case, even if, for the purposes of argument, we grant that the liberation of the colonial countries removes these countries from the orbit of capitalism with respect to war and into the front ranks of the peace fighters, it does not affect, except to make more desperate, the development of the contradictions between capitalist powers.

The point about the growing awareness in capitalist circles of what war would mean is simply not to the point. Yet everyone who wishes to argue against the inevitability of war makes it. There is good reason for this because in capitalist countries there is both conscious and unconscious knowledge on the part of the people that, in fundamental matters, they have very little to say about the policy of the government, and hearing important spokesmen of the bourgeoisie laud and proclaim a strengthened military policy, including the policy of "preventive war", need the assurance that the bourgeoisie does not desire war before they can think wars not inevitable.

Though Comrade Khrushchev does not make this point directly, he makes it indirectly by citing it as a reason for the lessening of tensions, and the concept carries over. Incidentally, it is not a reason for the lessening of tensions either. To quote from the report: "Under the impact of these incontestable facts, symptoms of a certain sobering up are appearing among influential Western circles. More and more people are realizing what a dangerous gamble war is," etc., how it would lead to socialism, how there would

be no victor in an atom war, etc.

This position is shockingly similar to Browder's "intelligent" capitalists. Comrade Khrushchev's statement of a growing awareness on the part of capitalist leaders is true perhaps—but what has that to do with the inevitability of war or, for that matter, with the lessening of tensions? Do capitalist powers always act according to their own best interest? For example, was it in the best interest of American and British capitalists to build up Germany and Japan before the Second World War? Far from it—nor is the present arms buildup of West Germany and the attempt in Japan in the best interests of any other national capitalist class, yet it is being implemented.

There are many other examples from the history of capitalism to show that capitalists do what brings them the most immediate profit—not what is in their own best interest. The nature of capitalism is such that this cannot change while capitalism exists—if it could the question of the socialist reorganization of society would not be so near its solution.

Comrade Khrushchev should be able to understand this—it requires only a little extension of the understanding that he shows elsewhere in the report. Speaking of the attempts of present day bourgeois economists and politicians to deny the necessity of capitalist crisis, and ridiculing their thesis that government regulation can prevent absolutely the certainty of crisis, he says:

"The state is powerless to do away with the objective laws of capitalist economy, which lead to anarchy of production and economic crises. Crises are inherent in the very nature of capitalism, they are inevitable." (my emphasis)

And the objective laws of capitalist economy also lead to war. Yes, Comrade Khrushchev, wars and crises are "inherent in the very nature of capitalism, they are inevitable."

The thesis that wars are no longer inevitable might be more convincing had there not occurred an uninterrupted series of wars and military engagements from World War II right down to the present day. It is true that peace forces have succeeded in limiting and stopping many of these wars, but their continuing occurrence is hardly cause for optimism.

Comrade Khrushchev states that imperialism leads to war and that will continue as long as imperialism exists. But his conception that the present peace forces can stop every war from occurring seems to me incompatible with the real relations between capitalist powers. Much of the world is lost to imperialism, that is true; the peace forces grow, that is true; but, on the other hand, the general crisis of capitalism matures to deep and profound crisis, to convulsions, one might say. Can it be held that imperialism in its decline will be less bloody than in its heyday? This seems hardly likely.

Of course, as Stalin proves, war against the Soviet Union is not inevitable, though that, too, is a danger. Of course the peace forces can do much to limit and contain and even stop a particular war, can be a material force in saving the world from atomic destruction. I am confident that the socialist camp and the peace forces will score many successes in the fight for peace, and that this necessary fight will lead to a peaceful world. Can it be said that the peace forces in the United States can prevent our war makers from taking us to war as they did in Korea? We will reach that point—we are not at it.

A word on the reasoning of Comrade Khrushchev and his departure from the Marxist-Leninist method. In developing his idea of the non-inevitability of war, he begins by separating the development of war into its economic and social aspects.

"People usually take only one aspect of the question and examine only the economic basis of wars under imperialism. This is not enough. War is not only an economic phenomenon. Whether there is to be a war or not depends in large measure on the correlation of class, political forces, the degree of organization and the awareness and resolve of the people. Moreover, in certain conditions the struggle waged by progressive social and political forces may play a decisive role."

From this point he shows how in previous wars these progressive social and political forces were weak, but that now they are strong and capable of playing a decisive role. His argument is interesting, and his separation of war into these two aspects may be generally correct, but his conclusions are incorrect precisely because of the correctness of his analysis. As a matter of fact, if wars are not inevitable he must throw into the ashcan of history not only Lenin's thesis of the inevitability of wars under imperialism, but, also, the method of dialectical materialism. Because the basis of capitalist economic relations produces the experience of the catastrophes of war, the peace movement develops, just as the experience of exploitation produces the trade union movement. Just as the National Association of Manufacturers and the trade union movement are elements of the superstructure of capitalism, so, too, are military organization and the peace movement.

Interaction is the essence of the relation between basis and superstructure; that is why peace forces can postpone, limit, even stop wars at certain points. But Comrade Khrushchev, which is decisive, basis or superstructure? It is true that superstructure can topple basis, but when that happens the basis is replaced by a new one. Recalling the victorious slogan of the Bolshevik revolution in his own country, "Peace, Land, and Bread," Comrade Khrushchev can see a case of superstructure toppling basis, where the struggle for peace was an important driving force for the replacement of the bourgeois order by the socialist order. People will

fight for peace because they must and "peace will triumph over war", and in that process capitalism will pass from the world stage. No, Comrade Khrushchev's thesis that within the framework of existing imperialism war is not inevitable is essentially a thesis that the superstructure may be stronger than the basis, an idea not compatible with dialectical materialism.

I end this point with a quotation from a letter of Engels to Conrad Schmidt, October 27, 1890:

"What these gentlemen all lack is dialectic. They never see anything but here cause and there effect. That this is a hollow abstraction, that such metaphysical polar opposites only exist in the real world during crises, while the whole vast process proceeds in the form of interaction (though of very unequal forces, the economic movement being by far the strongest, most elemental and most decisive) and that here everything is relative and nothing is absolute—this they never begin to see." (my emphasis)

(Some comrades claim that I have misunderstood the nature of the claim of the Central Committee; that in question is only a war involving the Soviet Union. This is incorrect—for no new thesis is necessary here as Stalin has demonstrated that at the 19th Congress. Others claim that my misunderstanding lies in that the claim of non-inevitability is intended only for major or world wars, whether or not they involve the Soviet Union, and is not intended to cover the multitude of small wars. This too is incorrect because such a meaning would make the claim ridiculous in that small wars can grow into large ones. In any case, both of these claims are without foundation. The Central Committee can be wrong—as I think they are—but they are not illiterate. They are perfectly capable of saying what they mean.

(The comrades are more correct who criticize my presentation in that I fail, just as Comrade Khrushchev does, to distinguish between wars. These comrades are perfectly right. There are wars and then there are wars, or as Marxists have said for a century—there are unjust wars and there are just wars. Even if it were possible to create the capitalist utopia where no set of national capitalists would war with any other, where all differences are settled in The Hague to the satisfaction of all, no one on earth, not even "Communists," can prevent an oppressed people at the limit of their resources from taking up arms against their oppressor. As for me, I would not like a world where war against the imperialists was not possible. I would not like it, and I do not believe that it exists—outside of dreams.

(These comrades are right. A proper discussion of war in modern life should begin with the discussion of just and unjust wars and go on from there.)

Reasons for the Lessening of Tensions

Comrade Khrushchev's report leaves the im-

pression that the reason for the lessening of tensions on a world scale is the "new look" in Soviet foreign policy. I would not discount for one moment the significance of the actions of the Soviet Union in foreign affairs, nor am I criticizing in any way the handling of this policy compelling the capitalist world in greater and lesser degrees to cooperate in the lessening of tensions. It is beautiful to behold and a positive accomplishment.

But one must look, it seems to me, beyond adroitness in the handling of foreign affairs to see why this adroitness is meeting with such success. Soviet foreign policy is, I believe, well and ably undertaken, but the reason for its present success is a change in the world situation. Upon the conclusion of World War II and in the years immediately following, all capitalist nations became more or less, and mostly more, under the domination of the United States. They could not help this situation for a number of reasons: They were forced to relinquish markets because they could no longer supply them; in order to retain the maximum of positions they still held they had to permit the United States to "help" both in regard to armaments and the service of markets; moreover, with the increased prestige of the socialist world throughout the capitalist nations and the growth of large Communist Parties within them, these nations feared an imminent social revolution unless they could avoid immediate crisis.

American capitalists, licking their chops, made the most of this opportunity, tying the question of aid very intimately with the growing American control of the foreign and domestic markets of the former capitalist giants. But this situation has changed—from a position of dependence to one of increasing sharp rivalry in the capitalist world. This manifests itself in many ways, one of which is to begin to limit and oppose the foreign policy of the United States, which, under the slogan of "uniting the free world against Communism," has made and is attempting to solidify with much success many inroads into the markets of other capitalist nations.

In this framework trade with the socialist world is assuming greater importance for these countries. This is a fulfillment as yet only partial of the prediction made by Stalin in *Economic Problems of Socialism*. Also, as Stalin points out, no matter what these nations may publicly say, they know they are in no danger of being attacked by the Soviet Union, that the United States, and not the Soviet Union, limits their capacity for profit taking.

Since at the moment the contradictions between the other powers are less than their common chafing under the American bit; moreover, since the contradictions of capitalism have not matured to major capitalist crisis, war between capitalist powers is not on the immediate agenda. In this framework, the sabotage of "free world" policy as set by the United States is to

the immediate best interest, that is, increased profits, of the capitalist nations engaged in struggle with the American capitalist class.

I, of course, highly admire the way the Soviet Union is conducting its foreign affairs in utilizing and developing the contradictions between capitalist states to promote peace, but the major reasons for the successes are the developing contradictions. Of course, the "active and flexible" foreign policy—Comrade Mikoyan's phrase—contributes to and enlarges the area of success. However, should one proceed from and persist in an incorrect estimate of the world situation—then adroitness can't help.

(I have not discussed the change in foreign policy of the Soviet Union vis-a-vis Yugoslavia. When the ComInform documents of the dispute with Yugoslavia were published I agreed with them. My tendency as of this moment is to think that those decisions were correct at least in their basic particulars. Since those documents are not presently available to me for study in the light of the events of today, and since the discussion in the Central Committee report is not very thorough in this particular, I cannot be certain in my belief.)

Peaceful and/or Parliamentary Transition to Socialism

Is it true that peaceful transition to socialism is possible? Of course it is. Given the appropriate conditions—which may occur—it is possible. However, the example of Hungary after World War I is no example. It is true that a government led by Communists came to power by parliamentary means, if you will, but it was extinguished by the counter-revolution before it could move to socialism. As yet, Czechoslovakia comes closest; though this was neither parliamentary nor peaceful, there was little violence. In the remaining European People's Democracies, the governments set up by victorious armies (hardly peaceful) were led by parties and individuals committed to the establishment of socialism. Nevertheless, in the abstract sense, peaceful transition to socialism is a possibility.

However, I do not agree with the way Comrade Khrushchev places the question because he places it as an immediate question in the present world situation. No genuine Communist Parties "advocate" violence. They work for the peaceful development of socialist actions. But they recognize the facts of life and history, that "force is the midwife of the new society"—Marx's phrase—that force is brought to bear by the capitalist class against the manifestation of the people's will to establish a socialist society or even lesser goals.

Had Khrushchev merely been reiterating the statements of Marx and Lenin that peaceful transition was possible in order to point out to the world that force comes from the exploiters, not the people, and that the people must overcome this force, one could have no objection.

But it is quite different with the claim of Comrade Khrushchev, for he purports to see something new in the present situation to the effect that "the historical situation has undergone radical changes which make possible a new approach to the question." Here again we have the same facts cited as in the non-inevitability of war argument. Moreover, the impression is given that it is on the order of the day in a number of countries. He does not say where, except to state that where capitalism is still strong and has a huge military police apparatus it is not possible.

I try to think of what countries he can be referring to—surely not Guatemala or Cuba, not Taiwan or South Korea, not South Vietnam or Malaya, not Spain or Portugal. I think he must have been referring to France or Italy, and perhaps to Indonesia, India, and Burma. These last three countries I will discuss later in connection with the colonial question. Let us take France and Italy—what does he mean?—where capitalism is weaker—surely capitalism is stronger in France or Italy than it is in Guatemala or South Vietnam. Surely capitalist power is more entrenched in those areas where feudalism has long gone out of existence than in those areas that are still semi-feudal.

In this argument I believe that Comrade Khrushchev makes a number of serious errors indicating that, apparently, he does not understand the history of the Marxist development of the question. He seems to see the accession to power of socialism as occurring when leadership of the "overwhelming majority of the population is won by the working class"—mind you, without mentioning its Communist vanguard. And it is clear that he does not think a majority must be behind the Communists—any coalition of working class parties would suffice. He seems to rewrite and forget Lenin wholesale.

What are the conditions for the accession to power of socialism? Lenin laid them down, and, in my opinion, they still apply. There must be a deep-seated bourgeois crisis, in which the power of the bourgeoisie is drastically curtailed, wherein they can no longer govern in the same old way; there must be a consciousness among the whole people that things cannot go on as before; and, finally, the majority of the working class must support its advanced revolutionary vanguard, the Communist Party. All of these factors must be present; if not, the crisis will be resolved some other way. Comrade Khrushchev seems to expect the development to proceed in ordinary political ways, but the truth is, certified to by history and Marxist science, that deep-seated bourgeois crisis is necessary to and responsible for the victory of socialism.

As a matter of fact, Comrade Khrushchev confuses two questions—the seizure of power by the working class with the transition to socialism once in power. He goes back and forth between the two points as if they are the same point. For in-

stance, his recollections of Lenin's position indicates this, and I quote from the report:

"It will be recalled that in the conditions that arose in April 1917 Lenin granted the possibility that the Russian revolution might develop peacefully, and that in the spring of 1918, after the victory of the October Revolution, Lenin drew up his famous plea for peaceful socialist construction."

In the first instance, April 1917, Lenin is referring to the coming to power of the working class, in the second instance to the transition to socialism once the working class has consolidated power—they are not related or similar or identical as Comrade Khrushchev implies. If his recollection of the April Theses of Lenin is correct, then it must have been in order to affirm the Marxist position on violence, that the working class does not seek and will not initiate it, and that they possibly could, given the necessary impotence of the capitalist class, achieve power without it. I say if his recollection is correct because on page 197 of the *History of the Communist Party of the Soviet Union*, we find this following quote from *Russian Revolution*, a book written by Lenin and Stalin,

"The peaceful period of the revolution has ended", said Comrade Stalin, "a non-peaceful period has begun, a period of clashes and explosions."

Bearing in mind Lenin's contention that the bourgeois revolution can be quickly transformed into socialist revolution, a position he maintained prior to 1917, this quotation from July of 1917 seems to indicate that in April, Lenin was referring to a peaceful period in the development of the socialist revolution, a period between the bourgeois and socialist revolutions. There is a good deal of difference between the concepts of a peaceful period in the revolution and a peaceful revolution.

In any case, Lenin demonstrated his thorough dialectical brilliance shortly after that in August 1917, with the publication of that profound Marxist development of how socialist power will be achieved and consolidated, *State and Revolution*, in which he points out that it is philistine and not revolutionary to expect, that violence will be avoided, and how important it was to recognize the inevitability of the use of violence by the bourgeoisie against any attempt by the working class to achieve power. To separate the vanguard of the working class from its reformist backdrag, Lenin maintained, clarity on this question is of supreme importance.

Comrade Khrushchev does not contribute to clarity and feeds reformist illusions. Beyond that, his claim is frivolous, for in no capitalist country of the world is the question of socialist power on the agenda. Not even in France and Italy with their mass Communist Parties and their tremendous support in the population do they raise

socialism as an immediate question. How could they—this is only possible in intense capitalist crisis.

Of course, they develop a socialist perspective, distribute socialist propaganda, show how they do not seek violence, and show how it might possibly be avoided. Perhaps they go too far in this respect; in any case, the overwhelming odds are against it, as Marx and Lenin have so convincingly shown. Of course, if the crisis finds the bourgeoisie so bankrupt they can offer no resistance whatever, the transition will be peaceful. But who can postulate that at this time and for this next situation? To predict that this will occur in this next period of intense crisis, and as a guide to action for that period, seems foolhardy to the extreme, and I, for one, can see no necessity to so revise Marxism at this time.

In spite of Comrade Khrushchev's mixing of the two questions, the transition to socialism once the working class has state power in its hands is quite a different matter. Except for a quote from Lenin where the term "dictatorship of the proletariat" is used, Comrade Khrushchev avoids the phrase—he uses such terms as "transform the parliament to an instrument of the people's will," "to secure fundamental changes", "people's democracy as a form for reconstructing society on socialist lines", etc. This can hardly be an accident, and is, I believe, a throwback to liberal bourgeois political ideology.

The importance of the doctrine of proletarian dictatorship in order to maintain a truly revolutionary party, a party not held back by reformist illusions and reformist betrayal—this is the history of the developing Marxist ideology in all countries. To give it up now as a tenet of Marxism is to give up part of our science that has proven out in practice. Especially do I consider that the practice of Comrade Khrushchev in sprinkling his theses with quotes from Lenin, as if to imply that he and Lenin are in agreement when, in fact, they stand at opposite poles, is not a correct practice. For instance, the quote he uses from Lenin that includes the idea that each country will develop "one or another variety of the dictatorship of the proletariat", he extends to mean one or another variety of socialist organization, and implies that in China and in Eastern European countries, they do not have the dictatorship of the proletariat.

In addition, I would like to remind Comrade Khrushchev that the idea that Leninism was a specific contribution to the Russian Revolution only, was a scientific description of the specific features of the Russian revolution and not applicable to the world revolutionary movement, was maintained by rightists and Trotskyites of his own country and has been decisively rejected, with good cause, by the revolutionary movements of the Soviet Union and the whole world. Personally, I believe that the using of quotes from Lenin to contradict the essence of Leninism is in poor taste.

I submit the following quotations from Lenin and maintain their present applicability:

From The Proletarian Revolution and the Renegade Kautsky:

"By so 'interpreting' the concept 'revolutionary dictatorship' as to expunge the revolutionary violence of the oppressed class against its oppressors, Kautsky beat the world record in the liberal distortion of Marx. The renegade Bernstein has proved to be a mere puppy compared with the renegade Kautsky."

and again from the same work:

"The historical truth is that in every profound revolution, a prolonged, desperate resistance of the exploiters, who for a number of years enjoy important practical advantages over the exploited, is the rule. Never—except in the sentimental fantasies of the sentimental simpleton Kautsky—will the exploiters submit to the decision of the exploited majority, without making use of their advantages in a last desperate battle, or series of battles."

"The transition from capitalism to communism represents an entire historical epoch. Until this epoch has terminated, the exploiters will inevitably cherish the hope of restoration, and this hope will be converted into attempts at restoration."

and from *State and Revolution*:

"The forms of bourgeois states are exceedingly variegated, but their essence is the same: in one way or another, all these states are in the last analysis inevitably a dictatorship of the bourgeoisie. The transition from capitalism to Communism will certainly bring a great variety and abundance of political forms, but the essence will inevitably be only one: the dictatorship of the proletariat."

Of course, in the foreseeable future, when the socialist world has grown to such an extent that only isolated capitalist nations of little strength comprise the capitalist world, then, in these nations, it will probably be possible to speak of the peaceful and parliamentary transition to socialism. If Comrade Khrushchev had made the point that this growth of socialism and isolation of capitalism had already proceeded to the extent that a small country such as Finland, let us say, whose economy is already well integrated with that of the Soviet Union, could proceed to socialism in a peaceful and parliamentary way, such a thesis might be worthy of examination of the points it raises. I do not believe that even this would be presently correct, but at least it would be in the necessary direction.

In any case, history records many disputes between Liebknecht, Lenin, and the entire Bolshevik Party against the centrists and the right wing of the German Social Democratic Par-

ty and the Mensheviks. Comrade Khrushchev's remarks are in support of a position long exploded by revolutionary Marxists and the judgement of history. It is absolutely correct to wage a vigorous and sharp parliamentary struggle, to participate, in most cases, in bourgeois parliaments, and wage therein a vigorous defense of the immediate needs of the people. Not to see the importance of parliamentary action is anarchism, a trend in the labor movement now insignificant and defeated.

But, on the other hand, a position of reliance on parliamentary tactics is opportunism, is characteristic of the so-called Socialist Parties of the world. What is the duty of a Communist in a bourgeois parliament? To aid the developing people's struggles, to expose the capitalists and their agents, to lay bare the corruption and control of parliament by the capitalist class, to render every possible aid to the struggles of the people, to use the parliament as a forum for publicizing actions and demands of the people in one area so they can be taken up by others and a mass movement built.

The role of parliamentary action is important, but it is secondary to the movement of people in action on their own behalf, which is primary. Not until people take matters in their own hands is fundamental success achieved. The boycott in Montgomery, Alabama has more significance than the introduction or passage of any law, though I would not negate the importance of such legislative activity. Revolutionary struggle as in Montgomery raises the whole level of the movement away from simple and naive reformism to a point where demands can actually be won. The demand of equal treatment on Montgomery's buses was only the trigger for this movement which represents at present the highest point in the march of the Negro people for equality and dignity.

Comrade Khrushchev states that his position does not mean that the Communist position has become identical to the reformist one, but, search until midnight, they do not differ, and his statement has no meaning, is simply a declaration. If a bourgeois parliament on the basis of reforms that have been wrung from the bourgeoisie, popular representative elections, etc., can move to socialism, then the reformists are correct, reforms do lead to socialism, and the Communists have been wrong for a hundred years.

To think that a bourgeois parliament can go this far is rosy optimism in the extreme and a complete lack of understanding of the realities of life under capitalism. This lack of understanding is shared by many in capitalist countries, including many honest members of the working class. But it was not to be expected from the Central Committee of the world's first socialist state.

Developments in Former Colonial Countries

I have previously stated that in discussing the "zone of peace" embracing the former colonial countries, Comrade Khrushchev makes the mistake of regarding a temporary phenomenon based on the situation of the moment to be, of necessity, durable and permanent.

It is true that following World War II, a number of colonial countries successfully accomplished a breakaway from imperial domination. In most of these countries, this breakaway has been accompanied by carrying into effect the bourgeois revolution within these countries. Because they have but broken away from a harsh colonial domination of, in some cases, more than a hundred years, they have no great love for their former oppressors and are not anxious, for the most part, to engage in alliance, military or otherwise, with them. This in spite of the fact that in most of these countries, the former oppressor exercises more or less economic control.

In some of these countries, Pakistan and the Philippines, for instance, where imperialist domination is the most intense, these countries are entangled in imperialist military alliances. But, in general, most of the former colonies have declared themselves neutral in the cold war, and have made creditable contributions to peace. One country, India, has been an important initiator of peace actions, and the Bandung Conference which included countries in military alliance with imperialism, as well as People's China, was nevertheless able to agree on a program of unity against colonialism and for peace, one of the most important peace actions of the past year.

All of this is impressive and of immense significance. Why, then, do I say it is temporary? I say it is temporary because all of these countries will shortly be the scene of intense class conflict between the bourgeoisie and the proletariat and peasantry, and the bourgeoisies of these countries will make alliances with imperialism in order to maintain their existence. Between the bourgeois revolution and the socialist revolution will be but a relatively short span of time in most of these countries. I do not believe that it can be otherwise, for these countries came late to independent capitalism, most have very large populations and a very backward agriculture, and capitalism in these countries cannot succeed in consistently and materially increasing the standard of living, cannot satisfy the needs and aspirations of the people kindled by their bourgeois revolution and the successes of world socialism.

In these countries capitalism will not remain in power long, and, while it remains, its actions will be determined by the class struggle within. It will not remain long, but it will not vanish tomorrow either. Let us recall China's bourgeois revolution shortly after the socialist revolution in the Soviet Union. There, too, a capitalist China, under the

leadership of Sun Yat Sen, newly freeing itself from foreign domination and advancing against feudalism, sought and received the friendship of the Soviet Union. But this changed materially with the developing betrayal by capitalist interests of the revolution, by the alliance with feudal elements and with imperialists, and the bloody suppression of the popular will for emancipation and progress.

Of course, the situation is very different today. The infant Soviet Union could give but little aid to China; the mighty Soviet Union can give a great deal of aid to all the newly freed countries. The situation is materially different but its essence remains the same—transition from the bourgeois to the socialist revolution. Also the space between the bourgeois and socialist revolutions is partly and perhaps decisively determined by the strength and maturity of the revolutionary Communist movement. In Russia the space was short; in China much longer and did not take place until a Communist movement of strength and maturity was built from scratch. In some of these countries strong Communist movements already exist, in others they do not, and this will determine, in part, the speed of transition.

This, then, is the formulation I tentatively raise, perhaps it is not original: the bourgeois organization of the newly freed colonial countries is basically unstable; the contradictions between the developing popular aspirations and economic organization of society must quickly mature to sharp crisis. Not everywhere, if anywhere, will socialism be immediately victorious; in most cases, a protracted period of revolutionary struggle will follow. Of course, socialism will eventually triumph and then the "zone of peace" will be lasting and of superior quality.

Peaks and Lulls of the Revolutionary Movement in Capitalist Countries

Both in the section on war and peace and on transition to socialism, Comrade Khrushchev seems to forget the crisis nature of change. Thus, in speaking of countries where capitalism is still strong, it is possible for him to say: "There the transition to socialism will be attended by a sharp class, revolutionary struggle." As if it will be a walkover anywhere and accomplished without struggle.

The truth is that the world moves, and so old and discredited ideas accumulate new features. The truth is that in every lull in the revolutionary activity of the masses, in every period when capitalism seems to have a new life, these ideas are reborn and refurbished with new features. The truth is that the present period is one of lull in the revolutionary activity of the masses of the capitalist world.

Marx and Lenin and Stalin have noted time and time again that the development of proletarian consciousness and proletarian activity is not known for its smoothness, is not evolutionary

in development. There are periods of intense revolutionary activity of the masses; there are lulls where there is very little revolutionary activity. In economic crisis and following defeat in war, there is a peak in revolutionary activity; following a defeated revolution or in periods of relative capitalist prosperity, there is a lull.

It is in these periods of lull that these ideas are revived. Bernstein says that Marx was OK for his time but, comrades, we must not be dogmatic, times have changed, and Comrade Khrushchev says Lenin was absolutely right in the conditions of his time, but, comrades, down with dogmatism, there are new conditions. Granted that the existence of a powerful socialist world is a new condition of important magnitude, capitalism, though diminished in area, power, influence, and stability, is still capitalism.

In accordance with the law of uneven development of capitalism, peaks and lulls are not alike for different countries even at the same time. And the present lull is a lull with a difference, a lull in which the bourgeoisie has been generally unable to succeed in the tactics of isolation and harassment of the left, a lull in which important colonial victories have been achieved.

These differences from previous lulls show the real weakness of capitalism in this period in spite of its apparent strength. Despite attacks, the French and Italian Communist Parties have held their own. Only in the United States and in some other countries have the harassment and repression borne fruit for the bourgeoisie in the isolation of the left and defections from its ranks. But even in the United States where revolutionary activity of the American working class is at rock bottom minimum, the Negro people are striking giant blows for liberation.

Comrades, this lull is about to pass from the scene; imminent capitalist crisis will change the spreading influence of these ideas. But because we are in a lull period now, these ideas are, it seems to me, very dangerous. Not so much because of the ideas themselves—they will be blown out by the struggle of people in their own behalf—but because of the crippling effect they have on the present class conscious militants.

In a similar period of lull, the period of the Stolypin reaction, 1908-1912, following the defeat of the 1905 revolution, how did the Bolshevik Party under the leadership of Lenin adapt their tactics to the period? Did they revise Marxism to conform to the lull, did they present ideas of peaceful progress? No, they did not; they stressed what was revolutionary in Marxism, they trained and steeled their comrades in revolutionary struggle, and history records who was able to lead the people to socialism when the corner was turned.

In spite of the self-admitted isolation of the Bolsheviks, in spite of severe defections from the ranks, they systematically maintained and developed every possible tie with the masses, they fought against Menshevik, opportunist ideology,

they trained and steeled their membership, and strengthened the discipline of their organizations. These are the tested and found-successful methods for the development of a Marxist Party in periods of a lull in revolutionary activity.

It is for these reasons that I believe the ideas of Comrade Khrushchev harmful. Why train revolutionaries when there will be no revolution? Why engage in revolutionary struggle for peace and socialism when war is not inevitable and socialism will drop from the skies? Why study Marx and Lenin when they are out of date? Unless a struggle against these ideas develops in the ranks of the Communist Party, the coming period will find us ill-prepared, and should we win leadership of the people on the basis of these ideas, we will lead them to defeat.

On a Matter of Party Organization

Some may think this a minor matter, but to me it is a principled question that strikes directly at Communist ideology and Communist morality, and, also, is one with the opportunism of the major theses of the report.

In the section of the report on Party organizational work, Comrade Khrushchev makes a number of correct statements on the responsibility of Party organizers to the job of increasing production both on collective farms and in industry. Pointing out that the position "that Party organizational work is one thing and economic and government work is another" is incorrect and harmful, he correctly stresses the close ties organizational work should have with production, and calls for more concern and more responsibility for production on the part of Party officials. From that point he goes on to say:

"Evidently, Comrades, it is necessary to raise the material responsibility of leading personnel for the job entrusted to them so that their wages would to a certain extent depend on the results achieved. If the plan is fulfilled or overfulfilled, they should get more, if not—their wages should be reduced. Some may object that this principle cannot be applied to Party officials, for their functions lie in the organizational and ideological spheres, and are not tied up directly with the results of economic activity. But can Party organizational work be considered successful if it does not have a beneficial influence on production?"

It is not the principle of increased pay for increased production that I object to, and I do believe that Party organizational work should be directly beneficial to production in a socialist land. But that Party workers should receive increased pay for beneficial Party work I will not grant. As a matter of fact, it is an insult to the Party and its organizers. Shades of Dave Beck! He thinks it's quite alright for his take from the union to be expressed in hundreds of thousands of dollars, because—hasn't he improved the financial position of his union by much more than that?

No, a Communist organizer is not and should

not be moved to the ever-increasing improvement of his own work by the hope or promise of financial gain. Such individuals are not Party organizer material. A Communist, and certainly a Communist organizer, must be devoted to the improvement of his own work in order to contribute to the general improvement of the life of his people, to the improvement of society. I cannot see how this idea could possibly be raised by the Central Committee of a Communist Party. Is such a proposal consistent with motivation of devotion and sacrifice to the people's interest? Is this a proposal for "people of a special mold"?

The American Communist Party can still remember those who joined it during the revolutionary upswing of American people in the 1930s to get a job in the growing trade union movement or, overestimating the revolutionary possibilities in the situation, wanted to get in on the ground floor with a good thing. These individuals are no longer with us, and better so.

This proposal I do not see at all—I do not see how it can be seriously raised.

On the Reevaluation of Stalin

Before I go into the substance of the reevaluation of Stalin, a word on its method of presentation. I do not see how it could have been more clumsily handled than it was. At one fell swoop to so feed the slanders of world capitalism, to damage the great and growing prestige of the Soviet Union among men and women of good will everywhere, to strike a blow at the influence of the fraternal parties in capitalist countries and without consultation with them—these were certainly not the aim of the Central Committee.

And yet these are the fruits of their work. Could not the experienced comrades of the Central Committee foresee this? True it is that open discussion of our mistakes is beneficial to the development of our work, but is it necessary to so raise and carry out the discussion so that, at least, all the initial effects are harmful, to produce a self-inflicted crisis in every fraternal Party? Perhaps the American Communist Party was by way of coming into crisis regardless; nevertheless the present atmosphere is not one that can produce a reasoned resolution, especially in view of the major theses of the report.

The substance of the discussion of the role of Stalin will possibly be argued and counter-argued for a long time. I make only a very few points. The so-called Secret Report is a very subjective document. It is, especially the last two-thirds, as seen through the eyes of Comrade Khrushchev. While I am in no position to refute any of its allegations, yet I cannot accept them, at least in the import they are given.

There is too much objective evidence, not only in the glorious march of socialism in the Soviet Union, but also in the works of Comrade Stalin himself, to so readily permit me to accept the theme of Comrade Khrushchev as gospel. His early works, *Marxism and the National Question*,

the best, the very best short, simple and profound exposition of the principles of dialectical and historical materialism, the polemics against right and left deviations on the road to socialism; on questions of agriculture—these are only a few of his many theoretical contributions.

The implication is that he was alright when young, but as he grew older deterioration set in. We know that this is not an uncommon occurrence and would be perhaps easy to believe were it not for the fact that shortly before his death, he produced two magnificent works, *Marxism in Linguistics* and *Economic Problems of Socialism*. The first is a significant contribution not only to questions of linguistics, but is an original Marxist development of the role of base and superstructure. And the second is the only serious and important work on the transition to communism.

Comrade Mikoyan questions the last work on the basis of a formulation of a shrinking world capitalist market and asks—has it shrunk?—no, production has gone up in capitalist countries. Perhaps Stalin's formulation is incorrect, but, Comrade Mikoyan, I wouldn't bet on it. The not remote future will settle that point and I will wait.

In addition, Stalin authored some of the best attacks on the "cult of the individual", and his articles on collective work are inspiring. Then what do we have—someone who preached well but practiced badly? Maybe so. I can postulate that a great theoretical physicist might beat his children, but I find it difficult to comprehend that a genius in social science can produce sound and original work dedicated to human advancement without a genuine love for humanity, with self-glorification as his guiding impulse, with a care for self above his fellow. On this basis it is possible that the next great advancement in Marxist science will come from a thorough scoundrel. I do not see it—there is a unity to the whole man; to be great in this field seems precisely not possible for a villain.

Of course, as well as unity, there is diversity to the whole man, and even the greatest will have faults, perhaps serious ones. Mao Tsetung called Stalin "the greatest genius of our age." He was a genius but a mortal one and I am sure he made mistakes.

Comrade Togliatti and Comrade Dennis feel that the Central Committee should have been more self-critical, that the mistakes were not only Stalin's but the Central Committee's also. Reasoning in the same way but from the opposite direction, to my mind Stalin deserves criticism for the fact that the Central Committee he so recently departed from could produce such un-Leninist theses as are detailed in their 20th Congress Report.

Stalin was very sharp, perhaps too sharp in polemic. I suppose it was not for nothing he received the name Stalin. When the policy, and I believe it was collective, was determined that it was necessary to remove the influence of enemy ideology from the growing socialist country, he carried out the policy—is the word ruthlessly?—I

am sure that injustice was done and there were "crimes against Soviet legality." I do not pass these deaths off lightly. I suppose that some injustice was inevitable, perhaps there was a great deal too much. I do not pass it off lightly but I can't help noting that socialism has brought forth in the Soviet Union a mighty land, and a certain hope for humanity.

It would be pleasant to be able to blame Beria for these "crimes against Soviet legality" exclusively, but one can't do that—it's too simple, and I can't help asking one question. A number of trials in a number of countries, open trials where the defendants have confessed, have been declared frame-ups and "crimes against socialist legality." About these trials a number of questions have remained unanswered, notably why the defendants did not deny their confession in court. So I ask Comrade Khrushchev why wasn't the trial of Beria an open trial—was this not a "violation of Soviet legality"?

Beria was a member of the Central Committee and occupied one of the most important posts in the Soviet Union. I think that his trial was the first such closed trial of such a high official—even under Beria himself I don't think that this took place. But even if they had occurred previously—wasn't it necessary to break with all that? And only recently and following the 20th Congress, four important officials of the Party were convicted in a closed trial. When the Central Committee makes the point that over-confidence in Stalin was an illusion shared by many, they should be more sensitive to the discrepancies between their words and their deeds.

As to Stalin's role in the war: I believe that the strategy Stalin used was to engage the German Army directly at the first attack, to hold them back as long as possible while the Soviet people moved the industry piece by piece beyond the Ural Mountains. This was the greatest movement of industry in military history and was accomplished, all in all, swiftly. Then the Soviet Army retreated, holding at key points.

Comrade Khrushchev seems to imply that proper preparation and proper tactics would have stopped the Nazi army at or near the border. I wonder. To my mind this strategy, whether it was Stalin's or was a collective one, was masterly, and furthermore indicated the high degree of confidence placed in the Soviet people to carry out such a complex and arduous task, a completely unprecedented task. That it was accomplished was a decisive factor in the eventual successful conclusion to the war, and I agree with Comrade Khrushchev that the major credit belongs to the heroic and dedicated Soviet people.

I think that a belief in the cult of the individual is a grievous fault, and should be struggled against and overcome. Nor do I think that the adulation of even a great man as if he were divine should be perpetuated. I cannot argue

with the points Comrade Khrushchev raises in this respect; I have no knowledge beyond Stalin's own statements to contradict it.

Nevertheless, even if true, I feel compelled to acknowledge my indebtedness to Comrade Stalin for the help his works have given me in the study of Marxism. And, also, I agree with Comrade Togliatti that the "cult of the individual" can be no explanation of injustice, that the errors of a man are his, but that the errors of a socialist collective can not be one man's.

Let me make a hypothesis. Suppose that the Central Committee, instead of carrying out the reevaluation in the way it did, had said this:

"Comrades, once the Soviet Union was an isolated bastion of developing socialism surrounded by enemies. At that time it was necessary to be harsh to our enemies, of which not a few existed in our own land. In our determination to jealously guard our Soviet land we committed certain serious excesses, and, in that situation, it was possible for certain self-seekers to make a business of accusation. But, Comrades, this is no longer the case. Our Soviet land is no longer isolated but is part of the mighty camp of world socialism, and our enemies within our borders are few indeed. The cold war is a daily failure, and bright are the prospects for peace and socialism. Enemies are still enemies, and they will be curbed; but now it is more important to develop Soviet legality to new heights, to make it impossible for the innocent to be convicted. In this process we will examine all our past actions, will rehabilitate the innocent wherever that is possible, and restore the good name of all who were unjustly convicted. In the necessary period of repression of our foes the Central Committee headed by Comrade Stalin made many errors. We now examine these errors to prevent recurrence here and as a help to our fraternal parties in the socialist world who now travel the road we've covered, which they travel under more favorable circumstances. On the basis of our experience may they avoid those errors that have been ours."

Do you think that this is a false or a pretty way to frame the question? I think it would have been more correct, and, certainly, would not have had the same effect. Honest people the world over would have been impressed to admiration. Just as the Soviet peace policy has found admirers in the hundreds of millions in all lands, so this policy would have helped them to understanding, on the road to socialist action.

In Conclusion

The reverberations of the 20th Congress have had a profound effect on the American Communist Party. Many honest comrades are severely shaken. The most of these perhaps agree with the theses and the reevaluation as presented, and are shocked that it has occurred. To them it

has rocked the logic of their own lives; of their years of devotion they ask the question, "What for?" and, at least temporarily, many of these are stunned to inaction.

Others, like me, disagree with the theses and reevaluation and are shocked that the Central Committee is making what we believe to be very sad errors. To these, too, the road forward is not clear. How are we to meet this crisis, how are we to stem the tide of the loss of membership and activity?

Reaction /has rid us of the personal opportunists we had in our ranks. We cannot afford to lose these comrades who are in grave doubt. We cannot afford to lose them because they are very honest and sincere, and because they have shown courage and integrity by remaining Communists through a very trying period. For the sake of our Party, for the sake of the developing American struggles, we must make every effort to keep our losses low.

The questions raised by the 20th Congress are very important and they will be decisively settled. But they will not be settled tomorrow, and there is a danger that before these and many troubling questions of the national policy of our Party are settled, our casualties will be too great to bear. How to move forward in this situation? I believe that the most fruitful policy we can follow is a determined policy to develop the role and extend the influence of the Party club. This is always correct, but at this point it becomes an absolute necessity.

We must appeal individually to our comrades to find the answers themselves in the work of the

basic organizations, to systematically develop our ties with the working class, to hammer out the courses of action in the sphere of the individual club, to study the classics, and to build our party unity in practice. We must discuss the questions that arise in the course of our work not to the point of bickering and not to the point of unanimous agreement on everything, the devil take the dissenters.

These are not just words. Even if we can't agree on all questions of grand strategy, we can probably agree quite readily on the very next step in our basic organizations to extend our influence and deepen the content of our work. In this respect we must cherish our press, we must improve its use value to the basic organizations, and build its readership. And with all the difficulties, we must find others who will work with us, join our ranks, and start our Party again on the process of growth.

We are spending a lot of discussion on how we can formulate an over-all policy for our national Party that, presumably, will end our "isolation" and increase our strength. Maybe we'll succeed. But at the same time, and even primarily, let us begin at the other end to make contact with the people, to take part in and to initiate successful struggles in our shops and neighborhoods, in the life of our cities, and in the countryside.

In this I know we can succeed. And through our errors and our successes we will hammer out a correct national policy also. We must take a turn, and I think this is a necessary step.

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