one can change this general trend of history." Such is another law that our Mensheviks will never understand. ■

The "Tarnished Socialism" Thesis

Some Recent Publications In Defense of Soviet Capitalism

C.R.

Ten years ago this August, Soviet tanks rolled through the streets of Prague, capital of supposedly independent Czechoslovakia. Though Czech leaders like Alexander Dubcek were themselves despicable revisionists, who refused to put up a fight against the invasion for fear the masses might get out of hand and extend the struggle to one for genuine liberation from the yoke of capital, people all over the world supported the just struggle of the people of Czechoslovakia against social-imperialist domination and demanded that the Soviet tanks get out.

This was also a time when in our own country the movement against the U.S. imperialist war in Vietnam was developing rapidly, especially among students and youth. The massive rebellions which followed the murder of Martin Luther King, Jr. had signalled the turning of a significant section of the Black liberation movement toward revolution. The rebellion of students at Columbia University was typical of many events which linked the struggle against the imperialist war with the Black liberation struggle and aimed both with a revolutionary thrust against the common enemy. And while Soviet troops were suppressing the youth of Prague, Mayor Daley's pigs were running amuck in the streets of Chicago, assaulting and beating thousands of young people who had gathered to protest outside the Democratic Party's national convention.

At this time there was widespread feeling among those active in these struggles, especially among the students, that the Soviet Union was no better than the U.S. Far from seeing the Soviet Union as a friend and ally as the revisionist CPUSA preached from the sidelines, the revolutionary students developed a rudimentary understanding that both superpowers were sworn enemies of the world's people and of revolutionary struggle. The majority of the student movement was thus outraged by and militantly opposed the Soviet invasion of Czechoslovakia, although correctly continu-

ing to direct their main fire at our own imperialist ruling class.

The mainly petty-bourgeois activists in these struggles could see that life in the Soviet Union under Khrushchev, Brezhnev and Kosygin was hardly a model for the socialist system they'd begun to envision. They saw the Soviet Union as increasingly a depoliticized, bureaucratic and, at the very least, a boring society. For example, one student activist who would later become a leader of the "Weather Underground" terrorist group wrote an article describing her negative experience as an exchange student in Moscow. She called on Soviet students to rise up and build their own revolutionary student movement.

In this context the Great Proletarian Cultural Revolution in China, led by Mao Tsetung, played an extremely important role. Mao courageously and scientifically analyzed that the Soviet Union was no longer a socialist country, that capitalism had been restored there. And the Cultural Revolution which he initiated showed millions that the kind of degeneration which took place in the Soviet Union was not inevitable but could be prevented through resolute struggle by the masses against the capitalist roaders in the leadership of the Communist Party who were aiming to seize power.

This had a powerful effect on the budding revolutionary forces in the U.S. Among the revolutionary forces in the student movement and among the minority nationalities there was broad support for the principled stand of the Chinese Communist Party against the Soviet Union. At the Austin, Texas National Conference of SDS in 1969, a meeting marked by sharp struggle against the Trotskyite wrecking activity of the Progressive Labor Party, the entire body united in hooting down a lonely revisionist spokesman who sought to whitewash Soviet armed aggression against China's Chenpao Island. (Incidentally, this revisionist was at the time a close comrade of Mickey Jarvis, the Menshevik chieftain recently expelled from the RCP. Jarvis, a former CP member, also defended the Soviet Union at this conference.)

But for the overwhelming majority of those who had come forward in the course of these struggles, their understanding of the role of the Soviet Union was still mainly at the level of perceptual knowledge. People saw what the Soviet Union did and what it stood for and they knew they didn't like it any more than they liked the war in Indochina or the suppression of the Black Panther Party. But they were confused as to *why* this was so. Indeed, for many, this perceptual knowledge was colored by anti-Communism drummed into people's heads since kindergarten.

To move forward from perceptual to rational knowledge it is necessary to grasp and apply the science of revolution, Marxism-Leninism, Mao Tsetung Thought. A small but highly significant

section of these movements did just this. As part of embracing this science as the key to resolving the problems of the capitalist system through proletarian revolution, and in doing so deserting the petty bourgeoisie and joining with the working class, many activists also struggled to come to a more complete and scientific understanding of the nature of the Soviet Union and its role in the world. Publication of *Red Papers 7: How Capitalism Has Been Restored in the Soviet Union and What This Means for the World Struggle (RP7)* by the Revolutionary Union in 1974 played an important part in this.

But while some moved forward to grasp on a higher level the imperialist nature of the Soviet Union, others did not. Some simply fell prey to cynicism and defeatism, summing up from their perceptions that real change is impossible or, at best, too costly. Others continued to loudly denounce the Soviet Union—and even took up the position that it is the "main danger" to the world's people—but still without any thoroughgoing Marxist analysis behind this. These forces have thus hastened to embrace the same kind of revisionist garbage which the Soviet leaders preached when it emerged in slightly different form under different conditions. Not surprisingly, they view both the Cultural Revolution and the overwhelmingly positive thrust of the revolutionary movements of the '60s as "outdated."

Yet another group, however, began to reevaluate their perceptions. These people were influenced by the ebb in the revolutionary upsurge of the late '60s and early '70s, not seeing the fact that the capitalist system has entered a new spiral of crisis and war which, while only beginning, is a *major crisis.* They are struck by the fact that Soviet social-imperialism, which formerly colluded with the U.S. imperialists, selling out revolutionary struggle left and right, is now more and more contending with the U.S. for world domination (while continuing, as a secondary aspect, to collude in certain cases with the U.S. against mass struggle) and thus has adopted a more militant and offensive pose. With no faith in the masses, and only disdain for the revolutionary potential of the working class, such people now see in the Soviet Union a powerful force which might defeat U.S. imperialism.

FROM CRITICS TO APOLOGISTS

Like those who retreated to cynicism and those who would have the proletariat ride the coattails of its "own" bourgeoisie in a nationalist holy war against the Soviet superpower, these people seek to "chase the wisp of painless progress." They take the stand of the alienated petty-bourgeois intellectual who, in times of upsurge and struggle, becomes enthused with a crude populist love of the

masses but who, especially in a period of temporary and relative ebb, quickly turns away from the high, hard road of protracted struggle and revolutionary science characteristic of the proletariat, searching instead for a get-rich-quick scheme that might lead to change.

Such forces continue to criticize the Soviet Union in various ways and seek to remain independent of the more seasoned Soviet flunkeys in the CPUSA. They try to play the role of "centrists," midway between Marxism and revisionism, although their "tilt" has for some time been clearly in the latter direction. Increasingly as, on the one hand, Marxist-Leninists oppose and expose the role of both superpowers on an ever more thoroughgoing and scientific basis and, on the other hand, as the contention between the superpowers heats up and forces people to, in one way or another, take a more clear stand, the "centrists" must now come out and openly defend the Soviet Union on a more sophisticated level. (Since their opposition to U.S. imperialism is on such a shallow level and since their reformist and elitist outlook prevents them from seriously "going against the tide," it is not at all unlikely, however, that many of these "centrists" will, in the event of a war, flip over into some segment of the patriotic camp.) There is a special necessity for them to carry on their defense of the Soviets under present conditions since Soviet propagandists themselves and their CP frontmen do such a lame job, merely advertising Soviet virtues. The "centrists," of course, recognize that what is needed is not mainly to *advertise* but to *apologize for* the Soviet Union.

All this explains the recent minor flurry of publications putting forward some version or another of the "tarnished socialism" thesis: the argument that the Soviet Union might not be so great, but it's still socialist and must be supported. This new apologist literature joins a series of Trotskyite tracts which argue that the Soviet Union is a "deformed workers state" (or degenerate, depraved or whatever other term they're using this week).* But our new apologists are not classical Trotskyites. They don't return to the great line struggle of the 1920s and they certainly don't blame everything bad on Stalin. Indeed, they are quite ahistorical, rarely going back further than 1956, and for them, as shall be seen, line struggle under socialism (and capitalism too, for that matter) is hardly important since this only takes place "in the realm of ideas" and can't really change things. While the social base to which these writers appeal tends to be hostile to Stalin and to the dictatorship of the proletariat in general, these authors steer away

*See, for example, the Spartacus Youth League's, *Trotskyism versus Maoism: Why the U.S.S.R. is Not Capitalist*, New York, 1977. Trotskyite and pseudo-Trotskyite literature on Soviet society is itself a subject that deserves thorough analysis; that, however, is beyond the scope of this particular article.

from any serious assessment of the strengths and weaknesses of the Stalin era. (Here the apologists' line is the mirror opposite of the phony "restorationist" analysis of Martin Nicolaus, whose work was criticized in a previous issue of *The Communist).* Even so, at least one apologist openly if superficially parades under the banner of "Stalinism."

This article focuses on the work of two authors. The first, our "Stalinist," is one Jonathan Aurthur, whose book, *Socialism in the Soviet Union,* is sponsored by the Communist Labor Party (CLP) of which he is apparently a member.* CLP is a small sect which grew out of a thing called the Communist League (CL), which in turn grew out of a dogmatist split-off from the old CP, the Provisional Organizing Committee. CL was characterized by extreme dogmatism manifested in the practice of ripping advanced workers out of struggle in order to "train" them in a sectarian hothouse. This "left" in form line covered up a more deeply rooted rightism and pragmatism which fully came into the open with the "formation" of the CLP in 1975. Since then CLP has become a minor flea hovering around the CP dog. In the past CL branded Khrushchev and Brezhnev revisionists but stopped short of saying they'd restored capitalism. Now CLP is enthused by the Soviet Union's more offensive foreign policy. They lauded the 1976 25th Congress of the CPSU as a turning point in Soviet history and since then have been virtual cheerleaders (without much of an audience, however) for the Brezhnev gang.

The other apologist whose work is reviewed here is Al Szymanski, sociology professor at the University of Oregon and "movement activist," who published a critique of both *RP7* and Martin Nicolaus' book under the title "Socialism or Capitalism in the USSR?"† and followed this with a detailed defense of Soviet economic relations with foreign countries, "Soviet Social Imperialism, Myth or Reality: An Empirical Examination of the Chinese Thesis."‡ Szymanski is a veteran of the student anti-war movement (he participated in the Columbia University rebellion of 1968, but in that struggle's reformist wing) and has become somewhat prominent as a spokesman for "centrism" in the Northwest. He promises a book on the Soviet Union in the near future.

*Jonathan Aurthur, *Socialism in the Soviet Union,* Workers Press, Chicago, 1977.

†Al Szymanski, "Socialism or Capitalism in the USSR?", *Science and Society,* Vol. XLI, No. 3, Fall 1977, pp. 338-344.

‡Albert Szymanski, "Soviet Social Imperialism, Myth or Reality: An Empirical Examination of the Chinese Thesis," *Berkeley Journal of Sociology,* Vol. XXII, 1977-1978, pp. 131-166.

While very real differences divide these two writers, taken together they concentrate their defense of Soviet capitalism on four main points. These are: (1) denial of the possibility of capitalist restoration in a socialist country, which is linked to denying that class struggle continues under socialism and especially that a new bourgeoisie emerges that is concentrated in the Communist Party itself; (2) denial that the Soviet economy functions according to the laws of capitalism; (3) denial that a bourgeois ruling class exists in the Soviet Union; and (4) denial that Soviet relations with other countries can be characterized as imperialist in the Leninist sense. In the following pages each of these points will be discussed, with reference made to each author where relevant.

CLASS STRUGGLE UNDER SOCIALISM AND THE NEW BOURGEOISIE

Jonathan Aurthur begins his book by straightforwardly arguing that "capitalism has not been, and cannot be, restored in the Soviet Union or any other socialist country."[1] History, he claims, moves forward in a continual upward spiral. The "form," the political superstructure of society, can be turned around; but the "content" of society, its economic base, the fundamental relations of production, cannot. According to Aurthur:

> "Once a new mode of production has taken hold, counter-revolution can still attempt to force it backward. But it can succeed, if at all, only superficially. Its content is forced, on pain of extinction, to adapt itself to the new, more advanced economic reality, the new mode of production. And why? Because new modes of production (slavery, feudalism, capitalism and socialism) do not come upon or leave the historical scene arbitrarily, accidentally, ideologically, or at the whim of this or that individual or group, but as the result of the development of social production."[2]

While it is true that history moves forward in an upward spiral,[3] this does not rule out distinct reversals of this motion. As Lenin put it, "it is undialectical, unscientific and theoretically wrong to regard the course of world history as smooth and always in a forward direction, without occasional gigantic leaps back."[4] And there is certainly no rule which states that such leaps cannot be taken in the economic base as well as in the superstructure. Socialism and ultimately communism will inevitably triumph over capitalism, since only socialist revolution can resolve the contradictions of the capitalist system. And while the proletariat is advancing and will continue to advance, its struggle has never been and never will be without its twists and turns. As Mao Tsetung said, "the future is bright, the road is tortuous."[5]

The historical epoch of several centuries which saw the development of capitalism out of feudalism also witnessed many reversals for the rising capitalist production relations. In Renaissance Italy commodity production and trade developed to the point where merchant capital was beginning to be transformed into industrial capital, but for various reasons this did not come to fruition, the Italian city-states stagnated and the bourgeois revolution did not take place for another three centuries.

Another instructive example can be found in the transition from slave society to feudalism in China. This occurred over a period of several hundred years, beginning as early as about 600 B.C. It was not until 221 B.C., however, that China was unified under a feudal dictatorship, headed by emperor Chin Shih-Huang, who upheld and implemented the Legalist line and program representing the rising landlord class, ruthlessly suppressed the counter-revolutionary restorationists and brought about the thoroughgoing triumph of feudalism over slavery throughout China at that time. Previous to that, during a long period, although the feudal class had on the whole superseded the slaveowning class well before Chin Shih-Huang came to power, the slaveowners still had power in certain areas and there were repeated attempts by the slaveowners, represented by such famous historical figures as Confucius and then Mencius (and their followers), to restore the old order in China as a whole. And even after Chin Shih-Huang unified China under feudal rule there were still some attempts by the remnant forces of the slave system to stage a comeback, though they were unsuccessful.[6]

Further, the very nature of socialism as a transition between capitalism and communism makes a correct understanding of the dialectic between base and superstructure even more essential than it is for understanding capitalism or earlier exploiting systems. Because while capitalist relations developed within feudal society, feudal relations within slave society, etc. and each of these exploiting classes only came to power in the superstructure after building up their economic base, socialism cannot develop in the same way out of capitalism. And unlike capitalism and previous exploiting systems, socialism aims to make an unprecedented transformation of society, eliminating all exploitation and its superstructure, to make what Marx and Engels termed a "radical rupture" with all traditional property relations and traditional ideas.

It is true that under capitalism the socialization of production

creates the basis for transforming private appropriation into social appropriation, but this transformation itself cannot take place before the proletariat seizes state power. Although overall under socialism the economic base continues to determine the nature of the superstructure, the proletariat must consciously carry out the revolutionization of the economic base, the transformation of the relations of production, by exercising its state power and consciously applying its ideological and political line—in other words through the active, initiating role of the superstructure.

Citing Marx, who compared socialist revolution to childbirth, Aurthur argues that "Once a baby is born it cannot be stuffed back into the womb. Once socialist society is born out of the womb of the old capitalist society, it cannot be rejoined to its mother."[8] Let's take a look at exactly what Marx did say about this birth. He said that

> "What we have to deal with here is a communist society, not as it has *developed* on its own foundations, but, on the contrary, just as it *emerges* from capitalist society; which is thus in every respect, economically, morally and intellectually, still stamped with the birth marks of the old society from whose womb it emerges."[9]

In other words, Marx was not emphasizing the *separation* of socialism from capitalism but the *connections* which still join the two and the *fragility* of the socialist infant. Lenin made much the same point using a different metaphor from the other end of the life cycle:

> "No, the working class is not separated by a Chinese Wall from the old bourgeois society. And when a revolution takes place, it does not happen as in the case of the death of an individual, when the deceased is simply removed. When the old society perishes, its corpse cannot be nailed up in a coffin and lowered into the grave. It disintegrates in our midst; the corpse rots and infects us."[10]

Thus, the decisive and overwhelmingly principal task of the socialist stage, of the entire historical era of the dictatorship of the proletariat, the very purpose of that dictatorship, is to eradicate the birthmarks inherited from the old society, to transform all of society so that, as Marx himself put it, mankind may come to "the *abolition of class distinctions generally,* to the abolition of all the relations of production on which they rest, to the abolition of all

the social relations that correspond to these relations of production, to the revolutionizing of all the ideas that result from these social relations."[11] (emphasis in original) This is sharply opposed to all those revisionists who argue that the historic task of the socialist period is to develop or modernize the productive forces.

To abolish all class distinctions it is necessary to abolish the production relations which give rise to them. These include three aspects, namely the forms of the ownership of the means of production, the position and mutual relations of people in production, and the distribution of the products of production. Of these three, ownership of the means of production is of decisive importance, and the key step for the proletariat in consolidating its dictatorship is to seize the means of production and place them under the ownership and control of the workers' state. But the other two aspects are also important. They react upon the system of ownership and, under certain conditions, can play the decisive role.

If the workers' state owns the means of production, but factories and enterprises are run in such a way that control is concentrated in the hands of a few leading cadres carrying out a revisionist line, if the differences between mental and manual labor, for instance, are consolidated and widened under the cover of "each keeping to his post" instead of being narrowed, then the socialist system of ownership can become a hollow shell. Similarly, while inequalities in distribution are unavoidable under socialism reflecting the fact that distribution must be mainly according to work and not need, if it is not recognized that such distribution is, after all, a defect and that such inequalities must be restricted, then they will in turn affect the system of ownership and lay the basis for strengthening and not abolishing class distinctions. The proletariat cannot rest with transforming the forms of ownership but must also transform and eventually abolish all unequal relations as regards people's position and mutual relations in the course of production as well as all unequal relations with respect to distribution. In short, bourgeois right in all three aspects of production relations must be continuously restricted to the degree possible at each point, in accordance with the material and ideological conditions, and must eventually be eliminated altogether. To do otherwise is to strengthen the basis for capitalist restoration.

This is what it means to revolutionize the base as a crucial part of continuing the socialist revolution to the development of communism, completely classless society. And at the same time it is necessary in conjunction with this to continue the revolution in the superstructure as well. Economic relations, relations of production, while in the long run the determining and decisive relations, are not the only social relations into which people enter. There are political, ideological and cultural relations as well. These aspects of

the superstructure react upon the base and they too may, under certain conditions, become decisive. Again, as Marx and Engels declared, "The Communist revolution is the most radical rupture with traditional property relations; no wonder that its development involves the most radical rupture with traditional ideas."[12]

RP7 described the importance of revolution in the superstructure and against all the ideas that arise from and serve capitalism. It pointed out:

> "Old bourgeois ideas don't instantly vanish under socialism. . . 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. . .
>
> "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.

Applying this to the Soviet Union, *RP7* noted that

> "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."[13]

Now Aurthur may agree with Kautsky, Khrushchev, Liu Shaochi and other more recent advocates of revisionist theses on socialism. He may say with them that all this can be accomplished without the sharpest class struggle over an extended period of time, indeed, over an entire historical era. But Lenin, for one, did not. He argued the opposite:

> "The dictatorship of the proletariat is a most determined and most ruthless war waged by the new class against a *more powerful* enemy, the bourgeoisie, whose resistance is increased *tenfold* by its overthrow (even if only in one country), and whose power lies not only in the strength of international capital, in the strength and durability of the international connections of the bourgeoisie, but also in the *force of habit,* in the strength of *small production.* For, unfortunately, small production is still very, very widespread in the world, and small production *engenders* capitalism and the bourgeoisie continuously, daily, hourly, spontaneously and on a mass scale. For all these reasons the dictatorship of the proletariat is essential, and victory over the bourgeoisie is impossible without a long, stubborn and desperate war of life and death, a war demanding perseverance, discipline, firmness, indomitableness and unity of will."[14]

Clearly Lenin links the continuing class struggle to the continual re-emergence of bourgeois production relations under socialism. Further, in fact, the bourgeois aspects retained even in socialist production relations provide the basis for these socialist relations to be transformed back to capitalist ones. And, in general, the remnants of capitalism provide the basis not only for the continuing struggle of the old bourgeoisie against proletarian state power but, more important, the development of a new bourgeoisie. This new bourgeoisie arises from several sources. Lenin pointed to small production (a major factor in countries like Russia and China) as an important one. Technocrats, managers, the intelligentsia and the state bureaucracy are another source. This was stressed by Lenin in many of his writings and speeches, particularly during the NEP period.

But the most important source of the new bourgeoisie is the Communist Party itself. This pathbreaking discovery was elaborated most thoroughly by Mao Tsetung and those who followed his leadership in China on the basis of summing up the Soviet experience and the experience of the class struggle in China itself. As Mao put it shortly before his death, "You are making the socialist revolution, and yet don't know where the bourgeoisie is. It is right in the Communist Party."

Under capitalism the class struggle is *reflected* in the two-line struggle in the Party. But under socialism, Mao and his supporters argued, this struggle is actually *concentrated* in the Party since the most important Party leaders objectively occupy positions which can quite readily be transformed into those of a class antagonistic to the proletariat. The majority of managers, planners

and leading state and Party bureaucrats are leading Communists. This is why Mao stressed that "if people like Lin Piao come to power, it will be quite easy for them to rig up the capitalist system."

Socialism is a transitional system where the rising communist relations must, through long and protracted struggle over an entire historical era, replace the declining capitalist relations. Only the correct, proletarian ideological and political line of the Communist Party, and its mobilization on this basis of the masses of people, can prevent the majority of Party leaders from degenerating, and the minority which do anyway from seizing power. Mao, of course, stressed that as long as the proletariat wields supreme power and a revisionist line is not in command overall, the capitalist-roaders (those in authority who do degenerate and on the basis of adopting a bourgeois class stand and a revisionist political line attempt to turn their positions into those of capitalists) will be few in number. But Mao did not intend this to mean that the proletariat should be any less vigilant; the revisionists after all can command a significant social base. For Mao, prevention of a revisionist coup through continually advancing the revolution and at each stage striking at the soil which gives rise to the bourgeoisie—this is the cardinal question for communists during the entire socialist period.

For Aurthur, of course, all this is just idealist nonsense. For him "once the new mode of production is established, it marks the end of the old antagonism between the proletariat and the bourgeoisie because there is no more bourgeoisie in the sense of an owning, exploiting class."[15] And as for the new bourgeoisie, he contends this whole concept makes "classes and modes of production become reflections of mental categories, not material relations among people."[16]

This was not Lenin's view. Even though he did not and could not (because of the then very limited experience of building socialism) develop the kind of understanding of class struggle under socialism that Mao did, Lenin, in true "idealist" fashion, declared quite forcefully that:

> "On the ground cleared of one bourgeois generation, new generations continually appear in history, as long as the ground gives rise to them, and it does give rise to any number of bourgeois. As for those who look at the victory over the capitalists in the way that the petty proprietors look at it—'they grabbed, let me have a go too'—indeed, every one of them is the source of a new generation of bourgeois."[17]

Here Lenin, like Mao, seemingly makes class origin a reflection of "mental categories." But Lenin's and Mao's view is entirely correct and thoroughly materialist because the basis is there for people with such a line to put their views into practice. *Political and ideological line are decisive in the class struggle under socialism.* This is not idealism but an expression of the contradictory nature of socialist society. As Lenin put it, "politics is a concentrated expression of economics."[18] Aurthur explicitly rejects this scientific approach since to him it equates "what is capitalist or socialist with 'line' or ideology. The 'line' of this or that department or unit will determine 'the nature of ownership of it.' " He asks: "Under such circumstances, how can one call a country socialist at all? Rather it reduces itself to a giant checkerboard of 'units' which are now capitalist, now socialist, depending on which 'line' the management carries out."[19] But in a certain sense it is precisely such a "checkerboard" which does exist. For given the transitional nature of the socialist mode of production there is a basis in every unit for leadership to restore certain bourgeois production relations by implementing a revisionist line. This does not deny that socialism is a coherent economic system which marks a decisive break with the capitalist mode of production. But the internal contradictions of socialism, which mark it as necessarily only a transition to the ultimate goal of communist society, mean that it will have such a "checkerboard" character and that throughout all spheres of society there will be a constant struggle between the proletariat and the bourgeoisie over which class is in command there.

Even though a revisionist line may lead in certain factories, perhaps even in the majority, if the Communist Party leadership sticks to the proletarian line and mobilizes the masses in struggle against the revisionists, the socialist system will continue to develop and advance—but only, of course, through defeating the revisionist line and toppling from power those who stubbornly persist in fighting for this line. This is why, in 1969, in speaking of the situation that existed before the start of the Cultural Revolution, Mao stressed that "According to my own observation I would say that, not in all factories, nor in an overwhelming majority of factories, but in quite a large majority of cases the leadership is not in the hands of true Marxists, nor yet in the hands of the masses of the workers."[20] Yet Mao was not arguing that China was no longer a socialist country. He was pointing out that despite the great changes in the situation he described above, through the Cultural Revolution, still to continue the revolution was a real struggle, "the revolution has not been completed."[21]

Of course it is not just that the Communist Party is hierarchically structured or that a few bad eggs sneak in. There is a close

dialectical connection between leading capitalist-roaders and their social base among other sectors of the new and old bourgeoisie. Besides the old exploiters, the intelligentsia, technocrats, lower level enterprise managers and administrators in socialist society provide a social base for capitalist restoration. The capitalist-roaders in the Party leadership are their commanders but must also reward sections of this base with added privilege and power.

This can be seen in the transformation of the Soviet Party Central Committee under Khrushchev. Under Stalin there arose a certain tendency to select Central Committee members and other political leaders on the basis of technical expertise, organizational "efficiency" or the achievement of "practical results" in production instead of according to grasp of and ability to apply and develop a proletarian political line. This was a serious countercurrent to an overall correct policy of putting politics in command. Under Khrushchev, however, this incorrect tendency became the general rule. Proletarian fighters were expelled from the Central Committee and political middle forces swamped by a rapid expansion of that body's membership. New capitalist blood joined the ranks of the leaders. From the 19th Congress of the CPSU in 1952 to the 22nd Congress in 1961 there was a drastic change in the composition of the Central Committee. This period saw an influx of "practical men": educated technocrats and managers replaced the supposed "ideological hacks" of the Stalin era.

In 1952, 24.6% of the Central Committee consisted of members who had been recruited into Party leadership from leading posts in administrative, managerial or technical affairs relatively late in their "careers." By 1961, however, this proportion had more than doubled to 50.3%.[22] In the Politbureau the change was more drastic. Where in 1951 only two of eleven Politbureau members had some higher technical education, by 1971 ten of fifteen possessed diplomas in one or another kind of technology.[23] To make success in raising production quotas or prestige among members of the scientific community a basis for promotions into *political* leadership is a policy characteristic of revisionism and capitalist restoration.

Aurthur opposes placing "a large share of the responsibility for capitalist restoration on the intelligentsia or even the more advanced strata of the working class under socialism."[24] In socialist society, he claims, such people exist in harmony with the masses of workers and there is not antagonism between them.

Now surely these strata, especially the intelligentsia, do not deserve "a large share of the blame"; this must fall on the top revisionists in the Party leadership. But this must not justify the failure to recognize how these strata, especially the more privileged sectors of the intelligentsia, do provide a crucial social base for

restoration. As previously discussed, such people exist in a different relation to production and a different position in society than do the workers and peasants. Differences between mental and manual labor and in distribution of wealth provide the basis for the perpetuation and development of potentially antagonistic class distinctions between them and the masses of working people.

To support his view Aurthur digs up an interesting quote from Stalin. Arguing against those who stressed the danger of the bourgeoisification of educated workers who increasingly occupied positions formerly held by bourgeois intellectuals, Stalin declared:

> "These people, it appears, assert that workers and peasants who until recently were working in Stakhanovite fashion in the factories and collective farms, and who were then sent to the universities to be educated, therefore ceased to be real people and became second-rate people. So we are to conclude that education is a pernicious and dangerous thing. We want all our workers and peasants to be cultured and educated, and we shall achieve this in time. But in the opinion of these queer comrades, this purpose harbors a grave danger; for after the workers and peasants become cultured and educated they may face the danger of being classified as second-rate people."[25]

At the time it was certainly correct to recruit a new working class intelligentsia; this was a tremendous advance which strengthened the proletarian dictatorship. But still it must be said that, looking back on the whole Soviet experience and the history of socialism in general, it was an error, even a serious one, on Stalin's part to ignore the fact that the basis for antagonistic class distinctions exists in the difference between mental and manual labor and in the relative privilege in distribution and social position enjoyed by the intelligentsia regardless of the class origin of individual members of this group. Education is a powerful weapon of liberation for the proletariat, and if a correct line is in command the relations between workers and intellectuals in socialist society will overall be characterized by comradely cooperation. But if a proletarian line does not lead, education will be bourgeois education, distinctions between mental and manual labor will be expanded not narrowed and all this will serve only to perpetuate privileges and class division.

It is not that Communists wish to deny the masses an education. But education cannot stand above the ideological and political line. As Mao put it: "Some whose technical and cultural level is

high are nonetheless neither diligent nor enthusiastic: others whose level is lower are quite diligent and enthusiastic. The reason lies in the lower political consciousness of the former, the higher political consciousness of the latter."[26]

Just as revisionism can arise regardless of the class origin of the revisionist (Khrushchev himself was, after all, a coal miner's son), it is also not a matter of intent. And this is Aurthur's final argument. He is forced to accept the obvious fact that there is, at the least, a privileged elite in the USSR. But, he argues, this is precisely why this group would never restore capitalism. His argument would be funny, if it wasn't so backward:

> "But why would a Brezhnev or even a Khrushchov want to restore capitalism? They have arisen under socialism, and the privileges they have gained were gained under, and in a certain sense because of socialism. The elite *like* socialism because it means that they can have their privileges *and* a working class whose standard of living is constantly rising, who are not likely to go on strike, riot, or overthrow the government—as long, that is, as the leadership guarantees their well-being. Brezhnev and Company have no desire to restore capitalism; instead they want, and have been able, to skim the cream off socialism, to have their cake and eat it too."[27]

Truly an amazing statement, is it not? Aurthur, who accuses us "restorationists" of idealism and contempt for the working class, puts more of both in this one statement than could ever be found in all the publications attacking Soviet social-imperialism put out by Marxist-Leninists worldwide. Imagine, the Soviet workers are content to live under the boot of these "cream-skimmers" so long as the benevolent despots guarantee their "well-being." And as for Khrushchev or Brezhnev what need have they for capitalism? As if it was ever a matter of personal desires in the first place! One might ask this CLP clown just who is the real idealist here?

Moreover, the vulgar economism behind this whole statement must be noted. According to Aurthur the working class will always be satisfied, will always accept whatever oppression the rulers dish out, so long as the economy is booming and wages are going up. Never mind the historic mission of the working class to liberate itself and all mankind from the exploitation and oppression of class society. Never mind the need to continue the revolution to the elimination of all class distinctions. Behind his openly contemptuous assault on the Soviet workers lies Aurthur's version

of the revisionist "theory of the productive forces" which declares that the purpose of socialism is only to develop the productive forces and not to continuously revolutionize the relations of production and the superstructure and on this basis expand production and move forward to classless society, communism.

Aurthur does not recognize socialism as a society defined by the relationship between classes—and principally between the ruling proletariat and the bourgeoisie over which the proletariat exercises dictatorship. He refuses to accept the fact that this society will be moved one way or the other—forward to communism *or* backward to capitalism—and that the direction of this motion will be determined by the development of the class struggle between the proletariat and the bourgeoisie. Instead, in essence, he identifies socialism only with state ownership and views this not as a social relationship but as a thing—a static absolute without internal contradiction and motion.

PROFIT IN COMMAND OF THE ECONOMY

The intentions of any specific revisionist are not at all the decisive thing with regard to the restoration of capitalism. By championing a bourgeois line even the most dedicated of proletarian revolutionaries, who have devoted their lives to upholding the banner of communism, may degenerate into capitalist roaders and, indeed, if this happens the very prestige such people have accumulated makes them even more dangerous. Economic laws and the necessity posed by their operation *force* the revisionists to ultimately restore the capitalist system. This was stressed in *RP7,* which is worth quoting at some length on the subject:

> "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 pow-

> er—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...*
>
> "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."[28]

Which brings us to the second argument raised by the apologists: their contention that the Soviet economy has not been reorganized along capitalist lines and that the profit motive is not in command.

In his review, Al Szymanski is careful to differentiate *RP7* from the work of Martin Nicolaus, stating that "The Nicolaus work thus focuses almost exclusively on economic relations (narrowly defined). *Red Papers 7,* on the other hand, rejects this way of posing the problem..." Szymanski applauds *RP7* for centering "instead on the question of 'who owns the state,'" and for maintaining that "the *plan* rather than markets is the decisive economic question." But he goes on to claim that "while the main thrust of the RCP work is to show that the working class does not control the state, virtually all the points made by Nicolaus about the operation of capitalist economic principles are also made (in a sort of overkill argument)—only later to be called irrelevant..."[29]

Now wait just a minute, Professor Szymanski. This is not the case at all. The argument presented in much detail, with extensive citation and analysis of works by Soviet economists, in Chapter III of *RP7* does not by any means mirror Nicolaus' shoddy presentation; in fact much of it was consciously aimed at refuting precisely the kind of thinking Nicolaus later raised to an opportunist principle (see especially the section "Will the Real Bourgeoisie Please Stand Up?" on pages 49-52). Our differences with Martin Nicolaus have been outlined in full in an article in *The Communist,* Vol. 1, No. 1 and the reader is encouraged to refer to this for clarification. But while it is unnecessary to repeat the whole argument here, a brief summary of just what it is that does make the Soviet

economy function according to the laws of the capitalist system will be useful.

The response to Nicolaus defended *RP7*'s definition of socialism. This definition reads:

> "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.*" (emphasis in original)[30]

This definition correctly puts stress on the political leadership of the proletariat and not on any particular stage in the development of socialist production relations, including state ownership of the means of production, nor on planning.

While it was entirely correct to defend this definition against Nicolaus' criticism and his crude attempt to equate socialism with "planning" and capitalism with the "free market," it must still be recognized that the definition is actually more a description of what has come to be known as "the socialist road." The question of whether to remain on the socialist road or not is, of course, the decisive one. If leadership is seized by capitalist roaders representing a new bourgeois class who mobilize the Party to implement a revisionist line, then a socialist country will abandon the socialist road for the capitalist one and capitalist restoration is inevitable. In a certain sense it can be said that such emphasis follows the lead of Lenin who declared that 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."[31]

However, though keeping to the socialist road is central and decisive, there are also actual socialist relations of production which define socialism as a particular transitional system standing between capitalism, the highest stage of commodity production, and communism, classless society based on the advance beyond commodity categories. Capitalist production relations are characterized by exploitation and inequality. Communist production relations have abolished both exploitation and inequality. Socialist relations are no longer exploitative but they still contain

elements of inequality; hence, their contradictory quality. Under socialism both the proletariat and the bourgeoisie attempt to transform these relations in directions opposite to each other. The proletariat tries to restrict and eventually eliminate the vestiges and remnants of inequality that persist under socialism in order to advance the struggle toward communism. The bourgeoisie, however, will continually try to seize upon the bourgeois aspects of these relations in order to restore capitalism.

This latter is what has been going on in a thorough way in the Soviet Union since 1956, under the conditions where the bourgeoisie has seized power in society from the proletariat. And though, in essence, and for all practical purposes, the process of restoring a capitalist economic base was completed with the economic reforms of 1965, it is in many respects continuing against important residues of the formerly socialist base and superstructure.

In short, to build socialism and communism the proletariat must seize state power in order to carry the *revolution* into the economic base while, at the same time, continuing to deepen the revolution in the superstructure. To restore capitalism, the revisionist new bourgeoisie must also seize state power and then carry the *counter-revolution* into the economic base. On the basis of this counter-revolutionary transformation the superstructure will also be further bourgeoisified.

While the key overall counter-revolutionary step took place 10 years earlier with the revisionist seizure of power in the superstructure, the key "moment" in the thoroughgoing counter-revolutionary transformation of the economic base as it unfolded in the specific conditions of the Soviet Union was the restoration of the profit motive as the main motivational force in the economy. According to Szymanski the crux of the 1965 reforms was not this but instead "simply a reduction in the number of criteria used by the central ministries to evaluate enterprise performance. . . "[32] But a writer on whom Szymanski relies at a number of points for support, the prominent academic defender of the "New System" in the Soviet Union and Eastern Europe, Jozef Wilczynski, makes clear in his work *The Economics of Socialism* that this is hardly the case. According to him, "profit was officially accepted in the USSR in 1965 as the main criterion of enterprise performance. . . before the reforms it was treated merely as an accounting device to ensure that enterprises endeavored to cover their costs out of their own resources where possible, and to hand over the surplus to the State."[33]

Moreover, Wilczynski reveals that it is not just the amount of profit that is taken into account but the *rate of profit* as well (called "rentability" according to Soviet economic newspeak and reflecting the fact that most profit must be turned over to the central state monopoly capitalists as if it were "rent"). Wilczynski presents the following formula for computation of the profit rate:[34]

$$R = \frac{Q(P-C)}{F+V}100$$

where R = rentability, or rate of profit
Q = quantity of output actually sold by the enterprise
P = price at which the output delivered is sold
C = average prime cost
F = average annual value of fixed assets
V = average annual value of variable (circulating) assets

This is really not much different from how capitalists compute the rate of profit, as a rate of return on investment. And, indeed, his description of the significance of the profit criterion under "socialism" is also similar to descriptions of the role of profit under capitalism offered by bourgeois economic theorists:

> "The significance and success of the profit criterion consist mainly in the fact that a direct link has been established between profit and incentive payments, so that it is in the interest of the enterprise personnel—and at the same time society—to strive to maximize enterprise profits. But profit can achieve more than merely a better utilization of resources at the operational level. Trends in the levels of profitability of different branches of the economy provide guidance to central planners in their endeavor to optimize the allocation of resources on the macrosocial scale. Thus profit provides that unique bond of union between micro and macroeconomic interest—the missing link from which Socialist economies had traditionally suffered."[35]

Adam Smith, of course, referred to this "missing link" as the "invisible hand."

Wilczynski does try to differentiate what he calls "socialist profit" from profit under capitalism, enumerating seven "significant" differences between the two. But are these really so "significant"? Let's see.

Wilczynski says that under socialism:[36]

(1) "Profit is not an objective but a means." But this is true under capitalism too—it is a means of capital accumulation. And anyway, how is one to differentiate the means from the end here? After all, don't the capitalists always claim that profit is merely the most efficient measure of productivity and the effectiveness of investment?

(2) "Profits cannot be increased by restricting production." Under certain monopoly conditions the capitalists can sometimes make short-term windfalls by restricting production, artificially driving up prices, and then selling dear what has been produced cheap. But this is by no means the essence or normal functioning of capitalist production. Indeed, Marx argued that to point to such instances as the source of capitalist profit places exploitation in the sphere of distribution and not production. Marxists argue—against all sorts of bourgeois economic theories—that capitalist profit arises from production, as surplus value. Thus, for the capitalist a greater mass of profit can only come from either greater production or a higher rate of exploitation , and usually some combination of both. Restricting production to raise profits is an exceptional practice under capitalism stemming from the development of certain monopoly situations. It hardly pertains to the essence of capitalist profit, including in the imperialist stage. And besides, such incidences of restricting production to increase profit do occur, as the exception, in the Soviet Union too. The Soviet press has at times run reports of managers who find it more "profitable" not to overfulfill the plan.[37]

(3) "Profits are not owned by private persons." So what? Just look at the nationalized steel industry in western Europe—is it not capitalist? Moreover, the truth of this contention is itself highly questionable since the Soviet rulers lead quite a privileged life (as we shall see) and it is exclusively they who have control over how profit is to be reinvested (under the present system it is to make more profit), which is what happens to the lion's share of profit under capitalism in all its forms.

(4) "Profits is only one of several driving forces behind Socialist production. Planning must still be regarded as the main driving force." But the question is what guides planning, profit or the revolutionary interests of the proletariat?

(5) "Profit is not necessarily an objective measure of efficiency." On this we agree. It is one of the criticisms which has been offered of the profit system for generations—even before Marx. What's the point?

(6) "Differences in the profit rate do not necessarily determine the distribution of investment." In some cases this is true in the USSR. After all in the U.S. too the capitalists are forced to invest in some very unprofitable things to keep their system running.

Witness Amtrak, the postal service, some corporate research and development projects, etc. But in the Soviet Union profitablility is still the principal and dominant determinant. Wilczynski argues this himself—remember the "missing link?"

And (7) "Flows of capital to foreign countries are not determined by profit." This may be true in many cases in the short-run, as it is for much U.S. and West European investment, but don't count on it holding up after time. More on this subject later.

Finally, in defense of "socialist profit" Wilczynski quotes the famed revisionist economist who more than anyone else came to symbolize the principle of "profit in command" under socialism, Yvesei Liberman. And not surprisingly (if still ironically), Liberman's words have a familiar sound to them, reminiscent of our "Stalinist" friend, Mr. Aurthur: "Rivers do not flow backward," Liberman assures us. "And if, at high water, rivers make turns, they are simply cutting better and shorter channels for themselves. They are not looking for a way to go back."[38] While this may be true of rivers, it can hardly be said to also be true of revisionists.

The difference between *RP7* and Martin Nicolaus was that *RP7* saw adoption of the profit motive as the key element in the "reforms," but also as something distinct from the much-trumpeted abandonment of "planning" in favor of the "market." The aspect of the reforms' restoring autonomy to individual enterprises did not, *RP7* argued, return the Soviet economy to the stage of competitive capitalism. Thus, its much ballyhooed "failure" is on this score beside the point.

RP7 argued that after the reform the plan came to be guided, not by politics, by the ever-increasing mastery of the proletariat led by its Party and achieved through continuing class struggle, over the spontaneous pull of the economic laws of commodity production which continue to function but are restricted under socialism. Instead it was guided by subordination of the plan to the demands of these laws themselves, especially the law of value, the fundamental law of commodity production, and by abandonment of their restriction and an exaltation of their role. In other words, "plan" and "market" were, in a sense, merged, with the "market" thus regaining dominance over the plan but *inside* the planning process itself and not independent of it. This was reflective of the highly developed monopoly nature of the Soviet economy.

Indeed, this was evident in the price reform which necessarily followed introduction of the profit motive. Under the profit system prices have to more closely reflect their determination by the law of value so that profitability in different industries and enterprises can be measured on a common basis. Thus before the Soviet wholesale price reform of 1967 the profitability of different in-

dustries ranged from -17% in coal mining to +30% in light industry with an average of +13%.[39] But after the price reform the range was narrowed to a low of +8% for coal mining to +16% in the iron and steel industry.[40] This is a reflection of the influence of commodity market *categories* on *planned production* under state monopoly capitalism.

Here it will be useful to digress somewhat and discuss various Soviet economic theories since it is often thought, and has recently been put forward, that criticism of Liberman's "market socialism" is by itself an adequate critique of revisionist economics. This view is closely akin to Nicolaus' theories. But it would be a serious error to limit revisionist economics to the theory of "market socialism."

"Market socialism" advocates free trade and competition among state-owned enterprises under the plan. It has been put into practice (but only partially, since the development of monopoly, including state monopoly, is inevitable under capitalism) only in Yugoslavia but has been advocated ever since the '30s when its theory was devised by the Polish socialist economist Oskar Lange. Today "market socialism" is associated in one form or another with such prominent revisionist economists as W. Brus in Poland, Ota Sik in Czechoslovakia before the invasion, Branko Horvat in Yugoslavia and, to some extent, A. Birman and Liberman in the USSR.[41]

But the other main trend of thought in revisionist economic "science," the theory of "optimal planning," which denies the free operation of market factors, also rests on the assumption that market exchange of equivalent values is the most "rational" means of allocating resources and goods. The "optimal planners" seek to plan out the workings of market forces in advance through employment of mathematical planometrics, input-output techniques and the use of computers. The ideas of this school of thought have much in common with the thinking of the U.S. bourgeois advocate of capitalist planning Wasily Leontief. Its primary Soviet advocates have been the Nobel prize winner L.V. Kantorovich, V.S. Nemchinov, V.V. Novozhilov and N. Fedorenko.[42] This is pretty much the group identified in *RP7* as the "prices of production" school, although *RP7* fails to give Kantorovich and his planometrics the deserving revisionist credit he received in Stockholm. They have enjoyed increasing influence in Soviet planning in recent years.

Both these theories are based on the erroneous premise that, protected from the obstruction of monopoly, the capitalist economy can operate smoothly according to the law of value. It is not this law, these theories fundamentally argue, which leads to the irrationality, crisis and exploitation of the capitalist system but the

obstruction of its smooth operation by personal greed and other "excesses" stemming from individual appropriation and leading to monopoly. The function of socialism becomes to make Adam Smith's "invisible hand" really work. This is not an application of the revolutionary theories of Karl Marx but is based upon assumptions taken from David Ricardo, the 19th century bourgeois economist criticized by Marx.

Nearly all signficant Soviet economists reflect, in one way or another, the ideas of one of these two revisionist schools—"market socialism" and "optimal planning"—much as in the U.S. economists divide into monetarists, those who belive that control of the money supply is the best way to regulate the economy, and Keynesians, those who believe government spending and budgetary policy may be employed to "fine-tune" the economy. But, as in the U.S., the system does not and cannot fully match up with any of these theoretical models. This is because the assumption is incorrect that capitalist crisis, etc. is not intimately tied into the very nature of the laws of the commodity system, but is a product of "interference" with such laws. As Marx and Lenin both stressed, speaking of pre-socialist society, monopoly and competition are two sides of the same coin and must coexist under commodity production. This is a unity of opposites expressed in the contradiction plan-market. Thus it is no wonder that nearly all revisionist economists, no matter what school they espouse, accept the thesis that "There is no real justification for treating plan and market under Socialism as mutually exclusive."[43] In a sense they are correct; both aspects of this contradiction must exist so long as the commodity system operates whether it takes on a "free market" form or not. As in any contradiction the two aspects interpenetrate, there is a "market" in any plan and "planning" in the market. But the revisionists raise the interpenetration of the two aspects of this contradiction exactly to disguise its contradictoriness, just as Nicolaus undialectically ignores the interpenetration. As Mao put it in his criticism of a Soviet economics text:

> " 'Spontaneity and *laissez faire* are incompatible with public ownership of the means of production.' It should not be thought, however, that spontaneity and *laissez faire* do not exist in a socialist society."[44]

For Marxist-Leninists this contradiction must be dialectically *resolved* through continued revolutionary struggle to restrict the sphere of operation of the law of value and finally eliminate it. Revisionism, on the other hand, "accepts" this contradiction.

This is why Nicolaus is wrong to reduce the whole question to one of plan = socialism, market = capitalism, but also why

Szymanski is wrong to caricature *RP7* as declaring the whole question of capitalist economic laws irrelevant, *reducing* the matter to a simple question of "who owns the state" instead of *basing* the analysis on this key question and proceeding from there.

According to Szymanski, the 1965 reforms were "rescinded" anyway in 1971 and 1973, and he credits this unique discovery to the authors of *RP7*.[45] Maybe the professor can't read, but nowhere does *RP7* make any such claim, mainly because such a startling series of events never took place outside Szymanski's imagination. What did occur in 1973 was the institution of the Production Association or "trust" as a new form of organization in the economy. The Production Association combines, in various forms, numerous enterprises in much the same way as a conglomerate does in the U.S.

The decree establishing the Production Associations was issued while *RP7* was in preparation and its final impact was not clear when the book was published. But it is now apparent that these Associations have become an important phenomenon in the Soviet economy; indeed, they increasingly represent the basic unit of state monopoly capitalism. By the beginning of 1976 there were some 2,300 Production Associations operating in the Soviet Union accounting for some 24% of industrial production.[46] While the individual enterprise has lost most of the semblance of autonomy it gained under the 1965 reform, these larger "trusts" are another matter. The Production Associations are formidable concentrations of capital and represent the development of specific competing capitals within the state capitalist system.

Szymanski is apparently not aware of the work of the French expert on the Soviet economy, Marie Lavigne, who has compared the Soviet "trusts" to Western monopolies and in a very interesting study has shown how their role in the economy is increasingly to modify the workings of market laws (within and without the plan) in a way similar to monopoly corporations in traditional capitalist economies.[47] Indeed, at least one prominent Soviet economist has applauded the advent of the Association for, among other things, its ability to engage in self-financing (and thus self-expansion of value, i.e., the ability to behave as an independent capital within the overall plan.) The logic of this development leads to two possible results. One is the transformation of the state economic ministries into large-scale enterprises themselves similar to the Associations; the other is the elimination of these ministries, which under socialism in the USSR were the heart of proletarian planned economy, and their replacement by the Production Associations.[48] Another Soviet economist has picked up on this and suggests that the economies of the Soviet bloc must limit the responsibility of the state ministries and reduce their number.[49]

In other words, what has happened as a result of the development of the Production Associations on the basis of the restoration of profit is not just an end to the "free market" pipe dreams of the enterprise managers. No, what has happened is that, on the one hand, there is increasing concentration and centralization of state monopoly capital coupled, on the other hand, with the continuing centrifugal pull of capitalist anarchy and competition. In other words, what was predicted in *RP7* is coming to pass:

> "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. . .
>
> "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."[50]

Like Szymanski, Aurthur also minimizes the importance of the

reforms in a mirror-image of the Nicolaus idiocy. To him Khrushchev's early decentralizing efforts were simply a series of measures designed politically to "weaken the Molotov grouping."[51] which, not coincidentally, was based in the central state ministries. The 1965 measures continued in this vein. Their purpose, he says, was to "raise productivity by giving local enterprise leadership more leeway in their use of resources, more incentive to conserve capital, rationalize their operations, etc." But, Aurthur contends, the reform failed because it came into conflict with the fundamental laws of socialism. "Objective laws of political economy," he argues, "cannot be changed, radically changed, abolished or negated by decrees, resolutions, maneuvers, schemes, 'economic levers,' bargaining, or the changing of a political 'line' in a factory, farm or mine."[52]

But, as seen earlier, it is precisely by seizing the superstructure in order to transform the base that the capitalist-roaders carry out the counter-revolutionary restoration process. To deny the possibility of decrees, etc. changing the economic laws—or really, changing their sphere of operation and in what way they operate (or do not operate)—is not only reflective of an undialectical view of the relationship between base and superstructure but it also denies that the proletariat can transform the capitalist base into a communist one by wielding its state power.

On the other hand, in the Soviet Union today the new capitalist economic relations come into contradiction with remnants of the former socialist superstructure. This is revealed most graphically in the discussion of the "rules of the game" initiated in the journal *Ekonomika i organizatsiia promyshlennogo proizvodstva* (Economics and the Organization of Industrial Production) in 1975. In the course of this debate a number of prominent Soviet managerial personnel and economic experts raised complaints about petty regulations and interference in management by state administrators and others. While this complaining mainly reflected the struggle of lower-level management against their state-monopoly superiors, the discussion also exposed how remnants of real socialist planning were very much seen as an obstacle to the more "efficient" (in the capitalist sense, i.e. "profitable") functioning of the present economy. As one participant in the discussion put it:

> "Economic legislation as it exists in our country today is not fully in keeping with the goals of economic development. It is a vast systemless mass of legal norms issued at various times and under various conditions of our economic development. I agree with G.A. Kulagin that it is necessary not only to do away with certain outdated norms but also to implement a system of measures that will make economic legislation an effective tool of socialist economic development."[53]

Here we find "reform-minded" managers and experts, carrying out their revisionist economic tasks with the obvious support of prominent authorities, coming into direct conflict *not* with the socialist base, but with outdated and ineffective *laws*. And, Aurthur and his crew of reformist-dogmatists notwithstanding, Marxists have always seen laws as part of the superstructure.

While Aurthur recognizes the growing stagnation in the Soviet economy and the real problems which that economy faces but blames this on the Khrushchev-Brezhnev "policies" being out of step with the needs of the socialist base, Szymanski informs us that ever since the reform all has been well with the Soviet economy. He claims (with no statistical confirmation) that in the period 1965-73 the Soviet economy functioned more smoothly than before and that there has been no evidence of the kind of crisis characteristic of capitalism. Space is lacking here to go deeply into the nature of the developing crisis of the social-imperialist economy, or to discuss some of the empirically discernible effects of capitalist restoration. But it would be sensible to warn Dr. Szymanski: Don't speak too soon. Clearly the growth rate of the Soviet economy has been declining. Agriculture, a problem which the new Czars inherited from the socialist period, has only worsened. The problem of productivity is an extremely serious one. Indeed, another French economist has recently tried to show, in a very perceptive and pathbreaking (though not revolutionary) analysis, that the problems of the Soviet economy bear a striking resemblance to problems caused under capitalism by the tendency of the rate of profit to fall. Indeed, this observer identifies such a tendency developing in the Soviet Union since the 1950s as a chronic problem and points to this as the cause of a distinct and serious crisis, although his analysis is not thoroughly predicated on a Marxist analysis of capitalist crisis.[54]

Before concluding this section some comment is called for on one last important point raised by Aurthur (and less completely by Szymanski)—the question of whether labor power is a commodity in the Soviet Union. Now this is a good question, since capitalism is that stage of commodity production where labor power itself becomes a commodity. Aurthur adds that "the question of whether or not the worker sells his labor power as a commodity in the Soviet Union can be stated in another way. Does he get paid according to the market price of labor power . . ."[55] This is also a pretty good way to put it except that the "market price of labor

power" need not be determined on the open market. Labor power will be a commodity so long as it is "alienated" by the working class to the capitalist class in exchange for its equivalent value, i.e., the cost of the existence and reproduction of the worker.

Now if goods and services can be priced basically according to the dictates of the law of value without a free market as we have shown is the case in the Soviet Union (and is also sometimes the case in the older capitalist economies at least in some aspects—for example, airline fares in the U.S.) then so can labor power. As a writer put it in the pages of *Pravda* describing the implication of reforms in the wage system, "With the introduction of new wage rates, the pay categories of most workers are determined according to uniform wage-rates and skills manual; this ensures a uniform approach in evaluating the complexity of the labor of workers in all occupations represented in various enterprises and branches."[56]

A completely free and competitive labor market is not a precondition for the development of wage labor; the fundamental basis of wage labor is that the *working class* depends upon its ability to sell its labor power to an alien *capitalist class.* For example, under the Nazis German capitalism implemented draconian labor laws which virtually chained workers to their employers like slaves. In this manner the price of labor power (wages) was held down at or even below its value despite the virtual elimination (temporarily and on a war basis) of unemployment. And Hitler's Germany was most assuredly a capitalist society.

Indeed, the comparison with Nazi Germany is, as *RP7* indicated, most appropriate. For in the Soviet Union labor power is exchanged approximately at its value mainly through a complex process of wage determination through planning and this is secured mainly through non-economic pressures. While in doing this the Soviet capitalists are able to rely to some degree on their carefully maintained socialist cover, which they are willing to make significant concessions to preserve, they too can resort to open terror. Terror, of course, was openly used by the Soviet working class and its Party when it held state power. This was, however, directed—overwhelmingly and despite certain errors—against the counter-revolutionary enemies of the working class and socialism. The Soviet social-imperialist rulers today use open terror to suppress the masses, but they also revive and proclaim the words "dictatorship of the proletariat" where it is useful to cover their sanguinary suppression of the working class and people of the Soviet Union—and other countries. This is a trick that many revisionists have found to their advantage since the fall of Khrushchev.

Actually there is more labor fluidity, more of a labor "market," in the "socialist" Soviet Union today than there was in capitalist

Germany under Nazi rule. An appendix to *RP7* described the extent of this labor fluidity and the text noted the important role of the notorious "Shchekino experiment" as a model in intensifying the exploitation of the working class by driving down the value of labor-power through a combination of lay-offs and speed-up.

Aurthur's "proof" that labor power is not a commodity is twofold. First, he poses the truly ridiculous argument that labor power cannot be a commodity because wages and living standards are rising. How many times do we have to hear this kind of thing from the bourgeoisie?! Is one to suppose that because many workers in the U.S. now own color television sets and because according to the government personal income has risen since WW 2, the U.S. is not a capitalist country? That labor power here is not a commodity? How ridiculous! And in fact much of the Soviet wage increases have been designed specifically to bring wage levels into closer correspondence with the actual value of labor power as part of restructuring planning in such a way that profitability can effectively function as the key indicator of economic success. The *Pravda* writer cited above notes that

> "The process of increasing minimum wages and basic wage and salary rates for personnel in middle pay categories that is currently being carried out in the branches of material production provides not only for wage increases but also for the *establishment of greater correspondence between wages and the quantity and quality of labor expended.*" (emphasis added)[57]

In other words, a general hike in wages can also mask a step backward into greater reliance on value categories. Under socialism it is necessary to pay "each according to his work." But, as noted previously, this is, after all, a bourgeois principle —that is, a principle based on bourgeois right, which masks actual inequality in formal equality—and is still linked to commodity categories. It must be consciously restricted. Linked closely to this is the question of material incentives to motivate labor. The Soviet revisionists rely on material incentives to increase productivity. But this elevates a necessity, the fact that payment according to value produced can only be restricted, to a positive principle. Mao sharply criticized the whole view of reliance on material incentive, arguing that it

> "makes it seem as if the masses' creative activity has to be inspired by material interest . . . 'From each according to his ability, to each according to

> his labor.' The first half of the slogan means that the very greatest effort must be expended in production. Why separate the two halves of the slogan and always speak onesidedly of material incentive? This kind of propaganda for material interest will make capitalism unbeatable!"[58]

Perhaps sensing the feebleness of his argument on rising wages Aurthur falls back on the line that "Without the reserve army of unemployed there cannot be competition for jobs and therefore no possibility of setting a price (wage) for a labor power that is not yet expended."[59] Here we might return again to the Nazi Germany comparison to note that unemployment there was virtually eliminated (this was also true of a number of capitalist countries, including the U.S. during WW 2), yet capitalism certainly flourished. Japan after WW 2 is another example. Between 1954 and 1967 the Japanese gross national product adjusted for inflation grew at an average rate of 10.1% and disposable income almost tripled. During this period of phenomenal capitalist development, the unemployment rate was by all accounts extremely low despite a continuing stream of new workers pouring into industry from the farms and fisheries.[60] No sooner was a reserve army created than it was gobbled up by the capitalist employers. Faced with what they perceived as a labor shortage which might limit the extent of rapid growth and embolden the working class to fight harder around economic demands, the Japanese capitalists followed a policy of "paternalism" aimed at virtually "guaranteeing" employment (in the short run) in exchange for gains in labor productivity and increased exploitation, a policy not dissimilar to that being followed by the Soviet capitalists today.

In other words, Aurthur is totally off base when he indicates that "unemployment is the fundamental condition of capitalist production."[61] Unemployment is an inevitable *product* of capitalist exploitation and *RP7* showed how the internal dynamic of Soviet capitalism must also lead to the development of this phenomenon on a mass scale (although it must be noted that the political constraints on the Soviet rulers to keep unemployment low and disguised are, due to the socialist past, much greater than those faced by the bourgeoisie in the U.S.).*

And it must also be stated that there is already some unemployment in the Soviet Union, although it is masked and its extent is

*Aurthur's arguments on the role of unemployment in the capitalist system are closely akin to the incorrect theories of Ray Boddy and Jim Crotty which were criticized in *The Communist*, Vol. 1, No. 2.

presently limited. True, the Soviet press is filled with complaints of a labor shortage stemming in part from demographic factors but even more from the failure of Soviet agriculture to free adequate labor resources for industrial development. Yet at the same time there is serious and chronic under-utilization of labor which, in effect, disguises unemployment. Is a woman simply sitting at the doorway to a public building as a "gatekeeper" really much different from a welfare mother getting "relief" in the mail? Can this be called "employment" in any meaningful sense? Yet the phenomenon is often noted by visitors to the USSR. Moreover, Aurthur and Szymanski both ignore the problem of "youth unemployment" which ranged as high as 22% in Moscow *oblast* at one point in the early Khrushchev years.[62]

The recent debate among Soviet sociologists on the role of women is also revealing on this question. For these Soviet experts are trying to figure out how to involve women in production at skill levels profitable for the economy while, at the same time, getting them back into the home to work on improving the sagging Soviet birth rate. An increasingly heard proposal is the institution of part-time work.[63] But, of course, Soviet literature has for sixty years correctly attacked the expansion of such employment in capitalist countries as often disguising unemployment and as a means to drive down the living standard of the working class. (It might also be added that in this case it takes on the additional aspect of strengthening the subjugation of women to male domination by removing them from production.) Quite a bind these revisionists are in!

THE SOVIET RULING CLASS

According to Al Szymanski, "While the RCP is correct in focusing on the question of which class has state power [rather than on the role of markets/plan], its authors are unable to demonstrate that there has developed in the Soviet Union a new class of state bureaucratic capitalists who live off the profits of exploited wage labor and control the state."[64]

Having severed the question of a new ruling class from the question of this class' relation to the means of production by dismissing most of *RP7*'s arguments on this score as Nicolaus-type "overkill", Szymanski must refute the existence of a bourgeois ruling class on bourgeois sociological grounds. Completely ignoring the Marxist method of class analysis (which is probably better for him, since Szymanski is a pitifully poor Marxist), he instead uses bourgeois categories to "prove" the non-existence of a new bourgeois class. He claims there is very little social inequality in the Soviet Union and those differences which do exist are "quanti-

tively and qualitatively less than in the West, *and for the most part are rapidly diminishing.*" (emphasis in original) He cites figures to show that the spread in wages between lowest and highest paid has declined in the past decade and points out that anyway "the highest paid people in the Soviet Union are not industrial managers or state and party bureaucrats, but prominent artists, writers, university administrators and professors and scientists."[65] Moreover, Szymanski contends, in one of the more laughable notions of recent years, that "there is broad and authentic participation of the people in decision-making and control bodies in the Soviet Union."[66]

Now to focus only on these two questions, inequality and political participation, especially in the way Szymanski does, avoids the heart of the matter—relationship to production. The bourgeoisie is not defined by its income superiority over other classes; to be rich is not the same as being a capitalist. One has only to recall the reams of bourgeois literature of the 1950s in this country which over and over "proved" Marxism wrong by "empirically" illustrating how inequality is disappearing in the U.S., how the rise of the new "middle class" has created the best of all possible worlds, how the combination of free elections and democratic "pluralism" guarantees citizen control, to realize how trivial the Szymanski method of "class analysis" really is. Such bourgeois analyses were often filled with falsehoods, but often they weren't. The problem was always with their basic method and approach, which the "radical sociologist" Szymanski should know. Facts are just that—simply facts. And they will remain such unless they are synthesized, concentrated into a higher truth. To do this fully requires Marxist theory.

Leveling of income differentials and other indicators of social status can mean many things. In Britain they tax the rich so much as to force some into emigration. In Sweden the "welfare state" has narrowed income inequality quite a bit. Yet in these countries there are still capitalists who accumulate capital and still workers who sell their labor power and this whole process is still called exploitation. Reggie Jackson, Elvis Presley and Elizabeth Taylor—leaving aside what they invested as capital with their earnings—all accumulated more wealth than a good many capitalists. Does this prove that the U.S. is not a capitalist society? Of course not! Yet this is the kind of "fact" Szymanski wants us to accept as proof that socialism is alive and well in the USSR.

But even given these essential methodological objections, it is still possible to refute Szymanski on his own terms, since the evidence of diminishing inequality and growing popular control he cites doesn't really paint a true picture.

First, on inequality. Szymanski is certainly correct in noting

that there is less inequality in the Soviet Union than in the West. It would be quite a surprise if this were not the case, since the Western capitalist countries have been dominated by the bourgeoisie for a long time while the Soviet Union was socialist until some twenty years ago. And although socialism does not yet eliminate inequality, and while there were serious errors made in the Soviet Union under Stalin which actually contributed to exaggerating such inequality, the expropriation of all the old exploiters and the fact that the new exploiters have only recently arisen from the ranks of the people themselves, are important factors shaping Soviet society today.

Moreover, that the Soviet capitalists do not yet appropriate large amounts of wealth for their own personal use only reveals what good capitalists they are. For the "ideal" capitalist, unlike the feudal lord, would keep nothing for himself (other than what he needs to live) and reinvest all; this is the logic of the system. The new and rising capitalists of the Soviet Union may, to some small degree here, resemble more the new and rising capitalists of 17th century Britain, puritanical in their zeal for business and contemptuous of vulgar consumption. Although as we shall see this is true only relative to their rivals in the West.

For the Soviet bourgeoisie does pretty well for itself. The figures Szymanski cites showing a narrowing of income differences are very general and tell us little about *which* differences have been narrowed. Indeed, the narrowing of differences which has definitely taken place in recent years has been mainly within the ranks of the people, between collective farmers and industrial workers, between skilled and unskilled, between higher and lower-paid industries. The migration of Soviet collective farmers to urban areas since WW2 has been the main equalizing factor. Another factor has been the development of the Soviet petty bourgeoisie which marks the Soviet Union as essentially the same as advanced monopoly capitalism everywhere.

Szymanski presents no evidence that inequality between the masses on one side and the elite ruling class of state capitalists on the other side has decreased. Nor can he, because most of the information available on social inequality in the USSR comes from the work of Soviet sociologists who are *forbidden* to examine the life of the rulers. Szymanski offers a small bibliography of bourgeois authorities to back his contentions. One of these, Murray Yanowitch, states that

> "The upper reaches of the social structure have been systematically excluded from even the best of the Soviet studies. . . empirical studies of what is acknowledged to be a hierarchal social structure are

> essentially confined to the primary units of economic organization. . . Personnel employed in the higher levels of government ministries, planning agencies, the scientific establishment—not to speak of the Party organization—are not included in the 'continuum' of socio-occupational strata whose incomes, life styles, and opportunities for inter-generational transmission of status are investigated. . . "[67]

And another expert notes that only "snippets of information on the salaries of some of the top-most earners have been collected by a few Western observers, but no one, as far as we are aware, has attempted to systematize them." Nonetheless, he concludes: "That the top salaries can be extremely high is beyond doubt."[68] In short, it is completely dishonest for Szymanski to present information and cite sources which show only a decrease in inequality among different sections of the popular masses as evidence of decreasing and limited inequality between the masses and the ruling class.

Further, even if we exclude the rulers themselves for a moment, it is clear that Szymanski downplays the inequality which does exist. Yanowitch has shown that Soviet statistics on income differentials often conceal more than they reveal since "they fail to distinguish the specific positions to be found at the poles of the occupational hierarchy and thus tend to understate the range of inequality in earnings."[69] For example, one study of an individual plant showed the average earnings of the highest-paid stratum to be only two to three times greater than those of the lowest. Yet it turns out that this highest stratum is itself quite differentiated, since it is defined simply as "managerial personnel" including everyone from foremen up to the plant director. And even plant directors are pretty small fish in the Soviet capitalist sea.

Szymanski plays a similar sleight-of-hand game. He notes that the income spread between the highest paid sectors (education and culture) and the lowest (collective farmers) dropped from 3.2 times in 1963 to 2.2 times ten years later. But what does this show? The education sector includes everyone from school janitors to major educational administrators and the category collective farmers means, according to Soviet statistical methods, everyone from rank and file farm workers to highly trained agronomists and even farm chairmen.

Szymanski cites a number of figures showing wage rates for managers and other lower-level bourgeois and acts as if these were the highest pay anyone could get. But even these figures are low, for in the Soviet Union everyone from the managerial level on up is generally paid not at the assigned rate for the position but at "personal rates" *(personal'nye oklady).* These are not established for the office but for the individual who holds it, supposedly in recognition of "outstanding knowledge and experience." By definition, these rates are considerably higher than the officially authorized and recorded norms and Soviet sources make clear they are a "mass phenomenon."[70]

Also noted by Szymanski is "the fact that children of the intelligentsia (about 15% of the population) in the Soviet Union have 3-4 times better chance of graduating from college than the children of unskilled workers." "This is a serious inequity," he admits, but "the Soviet press has been criticizing it for years."[71] Well, the capitalists everywhere are always open to this kind of "criticism"; but what has happened is that the situation is getting worse. Over the past two decades the capacity of the university system to accomodate high school graduates has not kept up with the development of secondary education. Where, in the years 1950-53, 65% of high school graduates went on to higher education, by 1970-73 this had dropped to 19%.[72] This can only mean increased competition to enter college which will inevitably favor the children of the intelligentsia and those generally having more advantages, including the families of the top strata of the Soviet party and state.

The new Soviet ruling class cannot be defined simply by looking at money wages and other such indicators. Constrained to keep their socialist cover, the Soviet rulers hide their wealth and power from the light of day. But word of the privileges they enjoy sneaks out.[73] Szymanski may cite figures and wage rates but he fails to inform us of all the special things which accompany high position, particularly if one is on the Party *nomenklatura.**

There is, for instance, the network of *Beryozka* shops and other special stores where only the elite rulers can shop, where prices are way below what the masses pay and where high-quality and imported goods rarely, if ever, seen in ordinary markets are available. There is the *kremlevskii payok,* the "Kremlin ration": each high-ranking member of the Communist Party, the cabinet and the Supreme Soviet receives enough high-quality food to feed their families luxuriously every month—free. An entire department of the Party Central Committee, the *upravlenie delami,* "Administration of Affairs," operates and equips an extensive empire of special apartment buildings, country dachas, guest houses, rest homes, car pools, domestic servants and special stores.

Szymanski doesn't tell us about *Zhukovka,* the luxurious series of small towns outside Moscow reserved exclusively for members

*The *nomenklatura* is the official list of high Party office-holders at all levels. It is estimated to number up to two million names. All receive privileges appropriate to their station on the list.

of the political, industrial and academic elite. Here the leaders, and those scientists, artists, writers, etc. who have contributed to the continuation of their rule, live in special dachas—rent free—and shop at special stores with special prices and goods. As one Soviet citizen complained, "A Central Committee member does not get much pay but he gets all kinds of things free. He can get his children in the best universities or institutes, or get them abroad. *They* [the leaders] are all sending their children abroad now, exporting them like dissidents."[74]

Of course, at this point Szymanski will complain that this kind of thing started under Stalin, that Brezhnev and Co. are just continuing what began under socialism. To a significant extent this is true. But two points must be made about it. First, this was a weakness of socialism under Stalin. The system of *nomenklatura* may or may not have had a certain necessity to it in the 1930s (most likely it was designed to keep graft under control; in a sense regulated rather than spontaneous), but very clearly it was a grievous error. Socialism must seek to narrow the inequalities between classes and strata on the basis of developing the productive forces and, most important, carrying out revolution in the economic base and the superstructure. And proletarian political leadership should not be rewarded materially. Stalin was correct in combatting "petty bourgeois equalitarianism," but clearly he went much too far in this and the Soviet people are paying a price for it today. This error contributed to the restoration of capitalism in the USSR.

But it is also essential to recognize that such inequalities have greatly expanded since the mid-'50s and that, more important, these privileges were not, under socialism, based on capitalist relations of production as outlined earlier. Unlike today, under Stalin the bureaucrats were closely watched. They would gladly have traded privilege for security and power; but this the proletariat would not and, to a great extent, did not give them. The difference between privilege then and privilege now was graphically delineated in a simple but revealing statement an old woman made to the wife of an American reporter one night outside one of the special stores serving the New Czars. "We hate those special privileges," she said. "During the war when they were really our leaders, it was all right. But not now."[75] Of course, it is not necessary to accept that these privileges were proper under Stalin as this woman seems to spontaneously conclude, to recognize the main point here: what was a mistaken policy and a weakness under socialism has become integral to the exploitation and oppression of the masses under social-imperialism today.

So much for diminishing inequality.

As for Szymanski's ridiculous argument that there is extensive

participation of the masses in Soviet political life, one is tempted to advise him to enroll in a class on the fundamentals of Marxism. Here he might encounter works like Lenin's *Proletarian Revolution and the Renegade Kautsky* which make clear the Marxist stand on democracy. Here Lenin notes that "It is natural for a liberal to speak of 'democracy' in general; but a Marxist will never forget to ask: 'for what class?' "[76] Lenin urges us to penetrate beneath the kind of *formal* equality and participation exalted today, for instance, by the "pluralist" school of bourgeois political science. Indeed, he points out that "the *more highly* democracy is developed, the *more* the bourgeois parliaments are subjected by the stock exchange and the bankers."[77]

The point, Dr. Szymanski, is not whether there are electoral forms or whether the social origin of the bureaucrats is working class or whether "mass organizations" are consulted by the leadership. All these things exist to one degree or another in the U.S. and where they do it is usually a sign that the bourgeoisie is more effectively employing a democratic cover in exercising its dictatorship. For Marxist-Leninists political participation is and must be linked to the question of proletarian dictatorship, and the substance of mass control must be expressed in the correct proletarian political line of the Communist Party. As Mao put it, referring specifically to the Soviet situation:

> "The paramount issue for socialist democracy is: Does labor have the right to subdue the various antagonistic forces and their influences? For example, who controls things like the newspapers, journals, broadcast stations, the cinema? Who criticizes? These are a part of the question of rights . . . Who is in control of the organs and enterprises bears tremendously on the issue of guaranteeing the people's rights. If Marxist-Leninists are in control, the rights of the vast majority will be guaranteed. If rightists or right opportunists are in control, these organs and enterprises may change qualitatively, and the people's rights with respect to them cannot be guaranteed."[78]

Under Khrushchev there was a minor explosion in the number and influence of new organizations ostensibly designed to bring citizens into public activity. These have continued under Brezhnev and Kosygin, though the pace of their expansion has slowed. The main point of such institutions has been to bring *professional* opinion to bear on decision-making and has gone hand in hand with robbing the masses of their effective representation through the lead-

ership of a revolutionary party.

For example, in 1969 a Kolkhoz Council was created to better involve collective farmers in policy formulation. But, as *RP7* noted, this "democratization" created little more than a chamber of commerce for the agrarian bourgeoisie. Of its 125 members only eight were rank and file *kolkhozniki.*[79] As the bourgeois expert T.H. Rigby has noted, "in more and more areas of Soviet life, effective decision making is coming to mean professional decision making, and this is clearly incompatible with the detailed supervision and control by party officials or by the 'party masses.' "[80] Contrast this situation with Mao's comment that "The non-professional leading the professional is a general rule."[81]

But Szymanski also cites figures indicating increased working class participation in public affairs, for instance, that in 1954-55 workers were only 11% of Soviet deputies, but in 1972-73 they were 40%. These figures must be taken with more than a grain of salt. First of all it is common knowledge that the Soviets themselves are not real decision-making bodies. For this, it is necessary to turn to the Party leadership units. And, according to one fairly sympathetic bourgeois account, the number of workers and peasants identified among full members of the Party Central Committees of all the constituent republics in the USSR increased only from 5.2% in 1961 to 7.6% in 1971.[82] It is also well-known that Soviet figures tend to inflate the number of active members of Party and especially Soviet organizations. And the category "worker" is usually defined by Soviet statisticians to include large numbers of white-collar technicians and Party bureaucrats of working class origin who may not have actually worked in a factory for decades. But more important than the class origin—or even the current class position—of a particular leading person is his line. Trade unions—and even certain so-called "communist" organizations—in this country provide rich examples of individuals who were (or in some cases still are) workers and occupy some leadership position yet represent and uphold the outlook and interests of the capitalist class against the masses of workers.

Involvement of the masses in participatory organizations may actually increase the influence and power of an individual bureaucrat or manager. This has been recognized even by U.S. political scientists. For instance, the description of the PTA offered by Robert Dahl, a notorious apologist for U.S. capitalism, could well be transposed to describe the role of numerous "mass organizations" in the USSR:

> "Ostensibly . . . a Parent-Teachers' Association is a democratic organization of parents and teachers associated with a particular school, brought into being and sustained by their joint interests. In practice, a PTA is usually an instrument of the school administrator. Indeed, an ambitious principal will ordinarily regard an active PTA as an indispensable means to his success. If no PTA exists, he will create one; if one exists, he will try to maintain it at a high level of activity."[83]

That this is also the purpose of most Soviet institutions of "popular participation" is clear if one looks at how the principle of one-man management has developed in recent years. This principle is applied to all economic units from the lowest to the highest levels and was instituted under Stalin (at that time, however the power of one-man authority was checked somewhat by the commisar system and, more important, by the political police, though there were clearly problems with this latter method in particular). Soviet management literature defines one-man management as:

> "the leadership of each production unit (enterprise, shop, section) is assigned to a single executive who is endowed by the state with the necessary rights to manage, and who bears full responsibility for the work of the given unit. All individuals working in the unit are obligated to fulfill the instructions of the executive.
>
> To correctly implement the principle of one-man management it is of great importance that there be a clear demarcation of obligations, rights, and responsibilities . . .[84]

One-man management was instituted in Lenin's time as a means of stabilizing the economy in response to serious syndicalist and ultra-democratic deviations. But this principle has proven incorrect as a method of management in socialist society because it stifles the ability of the working class to control the means of production in reality and holds back the development of new communist production relations. Mao Tsetung criticized the principle of one-man management and its concomitant principle of personal responsibility (each to his post), and defended the system of revolutionary committees instituted in China under his leadership as collective organs of management. Of one-man management he said, "All enterprises in capitalist countries put this principle into effect. There should be a basic distinction between the principles governing management of socialist and capitalist enterprises."[85]

Recently Soviet leaders have called for more "collegiality" and the "humanization" of management. Kosygin himself noted that

"Better management is impossible unless it becomes more democratic and unless the participation of the masses is considerably extended... Every worker should be made to feel that he is one of the owners of the factory."[86]

But experience has shown that use of the word "feel" here was not accidental. For it has been managerial *style* rather than the *substance* of decision-making that Soviet management experts have endeavored to change. According to one Soviet advocate of "collegial" management, the manager lets his subordinates "participate actively" in decision-making but "leaves to himself the right of final decision." "His art consists of the ability to use power without appealing to it."[87]

A significant example of how the Soviet rulers look at real mass participation was the attitude they took toward the Akchi experiment in agriculture. Akchi was a state farm in Kazakhstan which during the late '60s achieved astounding success in production by instituting a new system of work organization wherein "the functions of production and management were not divided" between different occupational strata. The farm's white-collar administrative apparatus was reduced to an absolute minimum and everyone participated in both productive labor and decision-making. In the words of the experiment's organizer, "it is important in our methodology that all people should manage in turn."[88]

In some ways, though not fundamentally, Akchi indicated what was demonstrated by the famous Tachai farm brigade in China under Mao's leadership—that high levels of mechanization, long hours of hard work, or the presence of technological experts were not the key factors in developing production. Rather, the conscious activism of the masses in waging the class struggle and revolutionizing the relations of production and the superstructure is the only basis for successfully pushing the economy forward. Despite the fact that Akchi promised the new Czars a possible improvement in their chronically bad agricultural situation, its political implications were far too ominous. The final verdict on Akchi concluded that

> "we must see two features of it: on the one hand an attempt to 'drag' into being a communal form of work collective—clearly in conflict with the collective and state farm forms—known in Russia since prerevolutionary times and representing a rudimentary form of organization of work collectives on democratic principles, and on the other hand a more or less successful form of organization of production utilizing value levers. The first clearly has no prospects for its development, but the second is being used and deserves wider application..."[89]

In other words, the only thing the Soviet rulers found productive in this was the fact that work teams were reimbursed according to the value of their product. What made Tachai a pacesetter in China was not simply its terraced fields and higher labor productivity, but the revolutionary organization of production based on raising the consciousness of the masses and advancing the class struggle to transform the production relations, which were responsible for achieving these things. Yet it was just this aspect of the Akchi experiment that the Soviet rulers scorned, much as revisionists like Liu Shao-chi in China sought to tear down the red banner of Tachai and, failing this, paint it white. For capitalist roaders everywhere models like Tachai, or even—under very different conditions, where capitalism has been restored but the appearance of socialism is retained—experiments like Akchi, are only models insofar as they prove effective gimmicks to get the masses working harder.

The question of political participation is thus a question of line. And it is clear that the line of the Soviet revisionists leaves the masses as essentially powerless as in any other capitalist country.

SOCIAL-IMPERIALISM: A SYSTEM, NOT A POLICY

Szymanski's article in the *Berkeley Journal of Sociology* seeks to show "empirically" that the Soviet Union is not an imperialist country, although its foreign policy "might well be hegemonic and oppressive."[90] But page upon page of facts and figures assembled by him are mostly irrelevant since the author's version of imperialism is an un-Marxist, eclectic jumble of bourgeois nonsense in the first place.

In what follows it will not be possible to fully refute all of Szymanski's empirical "data" fact for fact. Rather, what will be concentrated on is his anti-Marxist method with more specific refutation of only several illustrative points. For more detail on the actual workings of Soviet imperialism around the world, concrete examples and explanation of how the Soviet state-monopolists extract surplus value from the working people of other countries, and an analysis of how the Soviets use the *form* of trade to mask the content of capital export, the reader is advised to see *RP7*, Chapter IV.

Szymanski defines imperialism as "the political and economic domination of a nation or region in order to economically exploit it in the interests (normally of the ruling class) of the dominant nation."[81] This, despite Szymanski's claim to the contrary, has nothing to do with Lenin's definition of imperialism. (Incidentally

or not so incidentally—imperialism, in the Leninist meaning, is *always* in the interests of the ruling class of the "dominant nation" as opposed to the fundamental interests of the masses of people of this nation as well as those nations oppressed by imperialism.)Most essentially, Lenin demonstrated that imperialism is a *stage* in the development of capitalism, its highest and final stage. For Lenin imperialism was no more an economic policy aimed at the subjugation of specific nations than it was a political or ideological policy. Imperialism in Lenin's view was intimately tied to the development of monopoly and the merger of bank and industrial capital in finance capital, which brought to the fore the parasitic nature of capitalism and demanded the outward expansion of national capital which comes in conflict with both the economic and national development of nations in less developed parts of the world and the ambitions of rival imperialists.

There isn't space here to go deeply into the correct understanding of the imperialist system and its laws, but it should be noted that Szymanski follows the lead of a number of fashionable petty-bourgeois "Marxists" (Paul Baran, Paul Sweezy, Samir Amin, Andre Gunder Frank, Harry Magdoff) who examine imperialism essentially from a Ricardian under-consumptionist view of capitalist crisis and on this basis focus on unequal trade relations and "dependency" as the essence of imperialist economics. Szymanski notes that

> "In capitalist economies profits are to be made by securing overseas markets for individual enterprises, while maintaining overall economic prosperity and the continuation of the capital accumulation process requires finding export markets for the system as a whole to counter the inherent tendency to underconsumption (promoted by workers not being paid enough to buy back everything that they produce)."[92]

This is a completely wrong approach. First, there is no "inherent tendency to underconsumption" in capitalism unless one is a follower of Paul Sweezy's neo-Keynesian brand of bogus Marxism.* There is rather the tendency for the rate of profit to fall, leading to crises of *overproduction*, which, Marx stressed, means mainly overproduction of *capital* and only consequent to

*For a critique of underconsumption theories of crisis see "Against Sweezy's Political Economy," *The Communist*, Vol. 2, No. 1. Ironically another very good refutation of underconsumptionism by John Weeks, "The Sphere of Production and the Analysis of Crisis in Capitalism," appeared in the same issue of *Science and Society* as Szymanski's review of *RP7*.

this the overproduction of goods which appears on the surface as an inability of the working class to buy back what it has produced. Further, under imperialism, because of the monopolization and high degree of concentration of capital, there is what Lenin called a "superabundance of capital" which can't be profitably invested in the home market and must be invested abroad. Under imperialism, Lenin showed, the key to relations with other countries is not the export of *commodities* but the export of *capital*. Though they do swindle others where possible, the imperialists do not exploit the people of other countries essentially through cheating in trade—selling commodities abroad that they can't sell at home and at an inflated price relative to what they purchase from those countries. Instead it is the investment (direct or indirect through loans, etc.) in the economies of those countries and the accumulation of surplus value produced by the working people there that constitutes the imperialist robbery. The backwardness of many such countries does in various ways enable the imperialists to secure a high rate of profit there, but here again, export of capital, not unequal trade, is the essence of the matter.

In another article published elsewhere Szymanski has the gall to attribute his erroneous views to Lenin whom he claims got them from the English liberal critic of imperialism, J.A. Hobson.† Szymanski advises his readers to look at Lenin's notebook on Hobson for confirmation of this. And turning here one does find Lenin has copied out Hobson's statement that "*if* the consuming public in this country raised its standard of consumption to keep pace with every rise of productive powers, there could be no excess of goods or capital clamorous to use Imperialism in order to find markets." But Szymanski has apparently neglected to note that in the margin next to this statement, underlined twice, Lenin acidly remarked: "ha-ha!! the essence of philistine criticism of imperialism."[94] Further on in the notebook Lenin approvingly quotes Hobson's statement that the essence of imperialism "*consists in developing markets for investment, not for trade,* [again underlined twice in the margin by Lenin] and in using the superior economies of cheap foreign production to supercede the industries of their own nation, and to maintain the political and economic domination of a class." (emphasis in original)[95]

For Lenin imperialism does not simply hold others down nor is it the ripping off of wealth from poor countries by the rich through

†Szymanski advanced his anti-Leninist "theory" of imperialism in an article called "Capital Accumulation on a World Scale and the Necessity of Imperialism," *The Insurgent Sociologist*, Spring 1977 prompting a debate with Magdoff in *Monthly Review*, March 1977 and May 1978. Both authors are, however, trapped in the underconsumption-dependency model, though Magdoff's relatively greater sophistication enables him to make mincemeat of Szymanski.

unequal trade, although it may include this. Imperialist investment abroad can, and in the long run must, develop the economies of the countries it dominates but it must do so on a capitalist basis—in particular on a basis favorable to the foreign capital—and in contradiction to both the welfare of the broad masses of workers and peasants and to the development of the independent home market in these places. As Lenin put it in an earlier work still applicable to the analysis of imperialism, "The development of capitalism in the young countries is greatly *accelerated* by the example and aid of the old countries." (emphasis in original)[96]

Szymanski's efforts to present empirical "proof" that imperialism is not profitable to the Soviet bourgeoisie are in line with a long tradition of bourgeois criticism. In every case, these bourgeois writers examine one or another colony or some instance of imperialist aggression and attempt to show that the imperialists lost money there. Leaving aside the veracity of these attempts, their method—and it is Szymanski's method as well—is to confound the profit motive with the actual realization of profit itself. It is as if the failure of Lockheed Aircraft to return a profit were offered as "proof" that Lockheed could not be a capitalist enterprise. Moreover, Szymanski ignores the fact that competition between imperialist countries, like competiton between rival capitals domestically, involves preventing rivals from securing important markets, raw materials, etc., even where doing this means a short-term loss of profit. Economic interests in the final analysis determine political, military and ideological policies but these in turn react back upon the economic interests. This is the Marxist, the dialectical materialist, view which is opposed to the mechanical economic determinism which writers like Szymanski set up as straw men to knock down in their "refutation" of Marxism.

On this account it is enlightening to turn one last time to our "Stalinist" friend, Mr. Aurthur, who agrees with Szymanski but documents his case on this point more weakly. Aurthur applauds Soviet attempts to push out the U.S. imperialists from where they are well entrenched: "Brezhnev's foreign policy," he assures us, "far from being a continuation of Khrushchev's capitulationism, is a reaffirmation of the correctness of Stalin and Molotov."[97] Brezhnev has certainly abandoned the largely limp-wristed stand of Khrushchev who, despite his famous shoe-banging, caved in to the pressure of U.S. imperialism left and right. But this is no return to Stalin's revolutionary foreign policy. It only signifies that the Soviet Union has become the "hungry" imperialist power, seeking to muscle in on the U.S. and gain a new redivision of the world. By and large the Soviet Union does not yet have an empire,

it does not yet earn much from its still beginning exploitation of the world's people. But the point is that *it wants and needs such an empire*—and, it must be said, is rapidly acquiring one. And it is this drive, together with the equally essential drive of the U.S. to defend its own empire and, ultimately, to also expand, which is pushing the world toward a new world war.

With this understanding in mind the reader of Szymanski's article will quickly see that most of his arguments are at best irrelevant to the essence of the Soviet Union's international actions and relations. But some specific comments are still called for on a few of his contentions.

According to Szymanski profitability plays no role in Soviet foreign trade. Since Soviet trading corporations purchase goods for export from the producing enterprises and the state budget pockets all profit from overseas sales, Szymanski contends that the sphere of production is insulated from the world market, that "Soviet productive enterprises have absolutely no connection with foreign trade."[98] This was the case under socialism when a mainly proletarian line guided the activities of these trading units and their relations with production enterprises. Under Stalin, as Szymanski admits, Soviet foreign trade was geared to strengthen the autarchic (or self-reliant) nature of the economy and it was only after Stalin's death that the USSR entered into world markets on a broad scale.

But, putting aside the fact that imperialism does not mainly operate through trade, this argument today is based on the assumption that the production enterprises are themselves independent of the state monopoly. In other words, it is based on the straw man of the "free market" model of Soviet capitalism. The point is that both producer and exporter are linked through state-capitalist ownership and control.

Moreover, Szymanski's point is just plain false. For if Soviet industry is sheltered from the effects of foreign trade how is one to explain the following complaint of a Soviet production executive:

> "Economically accountable foreign trade associations are in an even more privileged position. If such an association's agents abroad are not able to sell machinery the association has ordered and paid for, it has the right to return it to the manufacturer, even after several years, and demand its money back immediately. Industry bears all losses connected with reconditioning the machinery, storing it and searching for a new buyer."[99]

This executive did not, by the way, request an end to industrial

responsibility for such foreign losses. He merely requested that industrial enterprises share also in the profits from foreign trade.

Szymanski also claims that were the Soviet Union really imperialist "we would expect that the favorable balance of trade (a surplus of exports over imports) would represent a significant proportion of capital formation."[100] Nonsense! If this were necessarily so how would one explain the unfavorable balance of trade (and even more unfavorable balance of payments) of U.S. imperialism during part of the post-WW2 period? And such a view would make the most imperialist segment of U.S. capital the wheat farmers because the U.S. exports a surplus of grain!

On Soviet aid to developing countries Szymanski comments:

> "The interest rate on U.S. loans is now the same as on Soviet loans; but the forms of repayment are very different. Repayment to the Soviets is in the form of locally produced goods, often the goods produced by the enterprises developed with foreign assistance."[101]

But isn't this just like investing in whatever product is being produced? How is it different from a banker who loans out capital and expects repayment in the product of the enterprise? South Korea has received a great deal of U.S. "aid" and now ships a lot of light industrial products to the U.S. from Korean-owned factories financed by U.S. capital. Does Szymanski mean to argue that this kind of aid has benefited the people of south Korea? In fact the kind of aid by the Soviets ties the recipient to the Soviet Union almost as if the "aided" enterprises were directly owned by the USSR. That direct ownership is often not employed simply reflects the struggle against imperialism world-wide which often forces the imperialists to abandon direct and open *forms* of control while retaining the *content* of imperialist domination.

Szymanski also points out that "Soviet aid is exclusively to the state sector with very few exceptions."[102] Although in some cases this simply represents the Soviets bringing the existing comprador bourgeoisie in a colonial (or neo-colonial) country into its orbit, it also brings up the question of the national bourgeoisie discussed in *RP7* which explains such aid on the basis of a *class analysis* of the oppressed nations (an analysis sorely lacking in Szymanski's presentation). The national bourgeoisie is that section of the capitalist class in the oppressed nations which opposes imperialism because it cannot compete with the foreign monopolies and is driven down in its attempts to expand and conquer the home market. The national bourgeoisie has, to varying degrees, played a positive role in the anti-imperialist struggle and

where it has come to power it has often struck real blows against imperialism and won significant concessions which even may benefit the masses of workers and peasants. But, as *RP7* stressed,

> "... 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."[103]

Soviet aid to the "state sector" is thus only an indication of the Soviet strategy of trying to dominate these countries by winning the allegiance of the national bourgeoisie and thus, step by step, transforming it into a new comprador bourgeoisie. Again to quote *RP7*:

> "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 fact of the matter is that the 'state sector' is not necessarily 'anti-capitalist,' as any worker in the post office can readily testify."[104]

Believe it or not, Szymanski even applauds the Soviet Union's emergence as a major arms merchant, arguing that "Modern military establishments can now be created by the less developed countries without promoting dependency on the U.S., France or Britain."[105] What a contribution to world peace and the liberation of nations! Our professor even has the nerve to mention Somalia and Ethiopia as positive examples. What possible benefit to the masses of oppressed people anywhere has come from Soviet fueling of *both* sides (at different times) in the recent war between these two countries? What can by any stretch of the imagination be called "progressive" about the use of Soviet arms by the phony-Marxist but authentically fascist Ethiopian junta against the just liberation struggle of the Eritrean people and against the Ethiopian masses themselves? And look at Afghanistan, another "positive" instance of Soviet military aid cited by Szymanski. The

recent pro-Soviet military coup there (hardly a mass revolution) reveals just what kind of "independence" the Soviets aim for with their military aid.

Finally Szymanski discusses the relationship of the Eastern European states to the Soviet Union, contending that the USSR has "played a central role in accelerating the economic growth and all around development of the Eastern European economies."[106] Marxist-Leninists must still develop a more thorough understanding of the capitalist workings of the Eastern European economies and their relationship with the Soviet Union, a task called for in *RP7* which is, along with a full response to Szymanski on this subject, beyond the scope of this article. But it must be said that even the most superficial look shows that Szymanski's line is a fairy tale. Besides the abundance of facts and analysis, some of which is in *RP7*, which demonstrate Soviet robbery of its East European "allies," apparently our professor has even "forgotten" Czechoslovakia 1968 and Poland 1971 and 1975. Perhaps he studied under ex-President Ford whose campaign statement that "there is no Soviet domination of Eastern Europe" provoked laughter everywhere, especially in Eastern Europe itself.

In particular, Szymanski's attempt to compare Soviet relations with COMECON to Western relations with the Third World is no more than a cheap debater's trick. Obviously these groups of countries are very different from each other. The Eastern European countries are not mainly semi-feudal oppressed nations. They are developed capitalist countries, at least some of which (certainly East Germany) have reached the imperialist stage themselves. If a comparison is to be made, it would be to U.S. domination over its bloc of imperialist allies in Western Europe and Japan, although quite obviously Soviet control over Eastern Europe is at present firmer than U.S. control in the West.*

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*In light of this it should be noted that designation of the East European states as "colonies" in *RP7* is somewhat misleading. While the term correctly conveys the image of domination and subjugation of the masses in these countries by Soviet social-imperialism, it incorrectly and unscientifically implies that the struggle here will be qualitatively different then in Western Europe and must pass through a separate stage of national liberation before moving forward to proletarian revolution. Of course in both Western and Eastern Europe there is the question of combating superpower domination, but that does not mean that the struggle there is like in the colonial (or neo-colonial) countries, that proletarian-socialist revolution is not the present stage of the struggle.

CONCLUSION

One might think it sad that people like Szymanski could move from outrage over the Soviet invasion of Czechoslovakia to open espousal of the Soviet role in that part of the world within ten years. But all the incorrect theses advanced by the apologists for Soviet capitalism are, as has been shown, closely tied to their rejection of the Marxist-Leninst world view, its stand and method. On every question—the nature of the class struggle under socialism, the role of profit and market categories in the planned economy, the existence of a new bourgeois ruling class, and the imperialist export of capital—these apologists deviate from and openly flaunt fundamental principles of Marxism-Leninism even as they claim to uphold the banner of this science.

They began with outrage. But they never converted this outrage to scientific understanding. Both intimidated and intrigued by Soviet power, fearful of admitting what is now obvious, that the proletariat can lose the power it has won, these writers reject the stand of the working class, the stand of uncompromising revolutionary struggle, for the easy way out supposedly offered by a ride on the Soviet coattails. Their degeneration points to the instability and vacillation of the radicalized petty bourgeoisie which they seek to represent and lead. But if one does not resist imperialism in all its forms one will surely capitulate to it. This is what these authors have done; but the revolutionary proletariat will have no truck with capitulation in any form.

Footnotes

[1]Jonathan Aurthur, *Socialism in the Soviet Union,* Chicago, 1977, p. v.

[2]*Ibid.,* p. 6.

[3]See "History Develops in Spirals," *Peking Review,* No. 43, 1974.

[4]V.I. Lenin, "The Junius Pamphlet," *Collected Works,* Vol. 22, p. 310.

[5]An often used expression of Mao during the Chinese revolution. During the Cultural Revolution he wrote, "The conclusion is still the two familiar comments: The future is bright; the road is tortuous."

[6]See numerous articles on the struggle between the Legalists and the Confucianists in *Peking REview,* 1974.

[7]Aurthur, *op. cit.,* p. 8.

[8]*Ibid.,* p. 9.

[9]Karl Marx, "Critique of the Gotha Programme," in Marx and Engels, *Selected Works,* Moscow, 1962, Vol. 2, p. 23.

[10]V.I. Lenin, "Report to a Joint Session of the All-Russia CEC . . .," *Collected Works,* Vol. 27, p. 434.

[11]Karl Marx, "The Class Struggles in France," in Marx and Engels, *Selected Works,* Vol. 1, p. 223.

[12]Karl Marx and Friedrich Engels, "Manifesto of the Communist Party," *Selected Works,* Vol. 1, p. 53.

[13]*Red Papers 7,* Chicago, 1974, p. 12.

[14]V.I. Lenin, "Left-Wing Communism: An Infantile Disorder," *Collected Works,* Vol. 31, pp. 23-24.

[15]Aurthur, *op. cit.,* p. 11.

[16]*Ibid.,* p. 17.

[17]V.I. Lenin, "Report to a Session of the All-Russia CEC . . .," *Collected Works,* Vol. 27, p. 300.

[18]V.I. Lenin, "Once Again On The Trade Unions, The Current Situation And The Mistakes Of Trotsky And Bukharin," *Collected Works,* Vol. 32, p. 83.

[19]Aurthur, *op. cit.,* p. 17.

[20]Mao Tsetung, "Talk at the First Plenum of the Ninth Central Committee of the Chinese Communist Party," in Stuart Schram, ed., *Chairman Mao Talks to the People,* New York, 1974, p. 283.

[21]*Ibid.*, p. 284.

[22]David Lane, *The Socialist Industrial State,* Boulder, Colo., 1976, pp. 125-26.

[23]T.H. Rigby, "The Soviet Politbureau: A Comparative Profile, 1951-1971," *Soviet Studies,* Vol. 24, No. 1, July 1972, p. 11.

[24]Aurthur, *op. cit.,* p. 20.

[25]J.V. Stalin, "Report to the 18th Congress of the CPSU," in J.V. Stalin, *Leninism: Selected Writings,* New York, 1942, p. 477.

[26]Mao Tsetung, *A Critique of Soviet Economics,* New York, 1977, p. 83.

[27]Aurthur, *op. cit.,* p. 36.

[28]*Red Papers 7,* pp. 55-56.

[29]Al Szymanski, "Socialism or Capitalism in the USSR?," *Science and Society,* Vol. XLI, No. 3, Fall 1977, p. 339.

[30]*Red Papers 7,* p. 9.

[31]V.I. Lenin, " 'Left-Wing' Childishness And The Petty-Bourgeois Mentality," *Collected Works, Vol. 27,* p. 335.

[32]Szymanski, "Socialism or Capitalism," *op. cit.,* p. 341.

[33]J. Wilczynski, *The Economics of Socialism,* 3rd ed., London, 1977, p. 49.

[34]*Ibid.*, p. 51.

[35]*Ibid.*, p. 50.

[36]*Ibid.*, pp. 56-57.

[37]P. Volin, "When the Profitable is Unprofitable," *Literaturnaia Gazeta,* October 6, 1976, pp. 10-11.

[38]Y. Liberman, "Are We Flirting With Capitalism?," *Soviet Life,* July 1965, p. 39. Quoted in Wilczynski, *op. cit.,* p. 58.

[39]Y.M. Zinoviev, *Prybyl i povyshenie effektivnosti sotsialisticheskogo proizvodstva* (Profit and the Increase in Efficiency of Socialist Production), Moscow, 1968, p. 102.

[40]*Ibid.*, p. 103.

[41]Writings of "market socialism" theorists in English include: Wlodzimierz Brus, *The Market in a Socialist Economy,* London, 1972; Branko Horvat, M. Markovits, and R. Supek, eds., *Self-Governing Socialism: A Reader,* White Plains, New York, 1974; I. Konnik, "Plan and Market in the Socialist Economy," *Problems of Economics,* Dec. 1966, pp. 24-35; and Ota Sik, *Plan and Market Under Socialism,* White Plains, New York, 1967.

[42]Writings of "optimal planning" and planometric theorists in English include:

N.P. Fedorenko, *Optimal Functioning for a Socialist Economy,* Moscow, 1974; L.V. Kantorovich, *The Best Use of Economic Resources,* Cambridge, Mass., 1965; I. Kotov, "Some Problems in Applying Mathematical Methods to Economics, and the Political Economy of Socialism," *Problems of Economics,* August 1966, pp. 3-14; V.S. Nemchinov, *The Use of Mathematics in Economics,* Edinburgh, 1964; V.V. Novozhilov, *Problems of Measuring Outlays and Results Under Optimal Planning,* New York, 1969; Albina Tretyakova and I. Birman, "Input-Output Analysis in the USSR," *Soviet Studies,* April 1976, pp. 157-88.

[43]V.A. Volkonskii, *Model optimalnogo planirovaniia i vzaimnosviazi ekonomicheskikh pokazatelei* (A Model of Optimal Planning and the Interdependence of Economic Indicators), Moscow, 1967, p. 68. The author is not a "market socialist" but a planometrician.

[44]Mao Tsetung, *A Critique of Soviet Economics,* p. 75.

[45]Szymanski, "Socialism or Capitalism," *op. cit.,* p. 340.

[46]Marie Lavigne, "L'Oligopole dans la planification" (Oligopoly in Planning), *Economics et Societes,* T. XI, Nos. 6-9, June-Sept. 1977, p. 1033.

[47]*Ibid.*, pp. 991-1042.

[48]L. Abalkin, "Perfection of Financial Autonomy in Conditions of Developed Socialist Society," *Izvestiia Akademii Nauk (ekonomika),* 2, 1976, pp. 26-36.

[49]G.V. Aristov, *Predpriiatie v sisteme upravleniia promyshlennostiu evropeiskikh stran SEV* (The Enterprise in the System of Administration of Industry Among the European Countries of COMECON), Moscow, 1975, pp. 34, 45.

[50]*Red Papers 7,* p. 56.

[51]Aurthur, *op. cit.,* p. 40.

[52]*Ibid.*, p. 53.

[53]V.V. Laptev, "Make Economic Legislation a Tool of Economic Efficiency," *Ekonomika i organizatsiia promyshlennogo proizvodstva,* 6, Nov.-Dec. 1975. Excerpts from this discussion in English translation may be found in American Association for the Advancement of Slavic Studies, *The USSR Today: Current Readings from the Soviet Press,* Columbus, Ohio, 1977, pp. 47-50.

[54]V. Vassilev, "Caracteres et specificites des crises economiques de type sovietique" (Character and Specificity of Soviet-type Economic Crises), *Economies et Societes,* T. XI, Nos. 6-9, June-Sept. 1977, pp. 1377-1442.

[55]Aurthur, *op. cit.,* p. 80.

[56]L. Kistin, "Questions of Theory: The Measure of Labor and the Measure of Consumption," *Pravda,* June 28, 1975, p. 3.

[57]*Ibid.*

[58]Mao, *A Critique of Soviet Economics,* p. 79.

[59]Aurthur, *op. cit.*, p. 76.

[60]Hugh T. Patrick, "The Phoenix Risen from the Ashes: Postwar Japan," in James B. Crowley, ed., *Modern East Asia: Essays in Interpretation,* New York, 1970, pp. 311-31.

[61]Aurthur, *op. cit.*, p. 80.

[62]Mervyn Matthews, *Class and Society in Soviet Russia,* New York, 1972, pp. 311-19.

[63]Two surveys of the debate are Murray Yanowitch, "A Note on Sexual Stratification," in his *Social and Economic Inequality in the Soviet Union,* White Plains, 1977, pp. 165-86 and Gail Warshofsky Lapidus, "The Female Industrial Labor Force: Dilemmas, Reassessments and Options in Current Policy Debates" (unpublished paper at a conference on "Problems of Industrial Labor in the USSR," Washington, September 1977).

[64]Szymanski, "Socialism or Capitalism," *op. cit.*, pp. 341-42.

[65]*Ibid.*, p. 342.

[66]*ibid.*, p. 343.

[67]Murray Yanowitch, *Social and Economic Inequality in the Soviet Union,* White Plains, 1977, pp. 9, 10.

[68]Matthews, *op. cit.*, pp. 92, 93.

[69]Yanowitch, *op. cit.*, p. 38.

[70]*Ibid.*

[71]Szymanski, "Socialism or Capitalism," *op. cit.*, pp. 342-43.

[72]Yanowitch, *op. cit.*, p. 80.

[73]This account of special privileges is taken from Chapter 1 of Hedrick Smith, *The Russians,* New York, 1976, an accurate and readable introduction to the phenomena of Soviet life. A more thorough factual account by Mervyn Matthews, *Privilege in the Soviet Union,* London, 1978 is scheduled for publication this summer.

[74]*Ibid.*, p. 59.

[75]*Ibid.*, p. 66.

[76]V.I. Lenin, "The Proletarian Revolution and the Renegade Kautsky," *Collected Works,* Vol. 28, p. 235.

[77]*Ibid.*, p. 246.

[78]Mao, *A Critique of Soviet Economics,* p. 61.

[79]Jerry F. Hough, "Political Participation in the Soviet Union," *Soviet Studies,* Vol. 28, No. 1, January 1976, p. 7.

[80]T.H. Rigby, *Communist Party Membership in the USSR,* Princeton, N.J., 1968, p. 525.

[81]From a U.S. government collection of Mao's post-1949 writings.

[82]Hough, *op. cit.*, p. 11.

[83]Robert A. Dahl, *Who Governs?,* New Haven, 1961, pp. 155-56.

[84]F.F. Aunapu, *Chto takoe upravlenie* (What Management Is), Moscow, 1967, p. 16.

[85]Mao, *A Critique of Soviet Economics,* p. 73.

[86]Quoted in Yanowitch, *op. cit.*, p. 146.

[87]I.P. Volkov, "The Style of Management in Solving Problems of the Social Development of Enterprise Collectives," in E.S. Kuz'min and A.A. Bodalev, eds., *Sotsial'naia psikhologiia i sotsial'noe planirovanie,* Leningrad, 1973, p. 89.

[88]On Akchi see Yanowitch, *op. cit.*, pp. 157-60.

[89]Quoted *ibid.*, p. 160.

[90]Albert Szymanski, "Soviet Social Imperialism, Myth or Reality: An Empirical Examination of the Chinese Thesis," *Berkeley Journal of Sociology,* XXII, 1977-1978, p. 165.

[91]*Ibid.*, p. 131.

[92]*Ibid.*, p. 135.

[93]Al Szymanski, "Even Mountains Are Moved: A Response to Magdoff," *Monthly Review,* Vol. 30, No. 1, May 1978, p. 54.

[94]V.I. Lenin, "Notebooks on Imperialism," *Collected Works,* Vol. 39, p. 414.

[95]*Ibid.*, p. 430.

[96]V.I. Lenin, "The Development of Capitalism in Russia," *Collected Works,* Vol. 3, p. 490.

[97]Aurthur, *op. cit.*, p. 122.

[98]Szymanski, "Myth or Reality," *op. cit.*, p. 133.

[99]G.A. Kulagin, "My Partners, The Authorities and the 'Rules of the Game'," *Ekonomika i organizatsiia promyshlennogo proizvodstva,* 2, March-April 1975, translated in AAASS, *The USSR Today, op. cit.*, p. 47.

[100]Szymanski, "Myth or Reality," *op. cit.*, p. 137.

[101]*Ibid.*, p. 141.

[102]*Ibid.*, p. 143.

[103]*Red Papers 7*, p. 62.

[104]*Ibid.*, p. 63.

[105]Szymanski, "Myth or Reality," *op. cit.*, p. 147.

[106]*Ibid.*, p. 156.