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EITHER WE CRUSH CAPITALISM OR IT WALKS ALL OVER US.

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ARTICLES

FEATURES:

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LET'S DEBATE HOW COMMUNISTS SHOULD RUN FACTORIES

DEAR FRIENDS: I was really pleased by the opening shot fired by PL with the first issue of the provocative COMMUNIST magazine. Given that PL literally is alone with a coherent, rational explanation of world events, it is vital that the party has a medium for a full discussion of its vision.

Part of that discussion is the party's plan for the future. What do we project for life after the obvious collapse of capitalism, the rise of world fascism and war?

To my knowledge, PL has not examined the question of production in the same detail as distribution. We generally know how we'll pass out what we have, but what system will we use to create it?

More specifically, I assume the party will direct production in a broad sense: if we need widgets they'll be made. But we will avoid fashionable, inherently obsolete widgets whose purpose is profit rather than use. Yet just how shall we make a widget?

The Russian revolutionaries were handed a *fait accompli*—local factory soviets initially built by the communists, simply and suddenly moved up in power. The soviets were dominated by syndicalist parochialism ("This is our plant, we run it and make what we want to make," rather than "It is in the party's interest for us to make widgets today, and perhaps tomorrow we shall need to make sprongies because the party will need that.")

How shall we settle that balance, worker control versus party need? Who shall decide who leads the production effort, workers from the bottom up or the party based on democratic centralism? Who gets to run the fork lift while Ed is in the iron foundry?

I think *the process* that we use to struggle for equality in production will be more important to people than its absolute implementation. So what process shall we choose? Let's take up the debate in THE COMMUNIST.

Best wishes,
JOSHUA

STALIN ARTICLE DODGES ISSUES, ISN'T CONVINCING

DEAR EDITOR: A brief comment on the article on the Stalin era in your inaugural issue. The Gorbachev leadership in the USSR has adopted and extended virtually every falsehood invented by Western anti-communism about the Stalin period because Gorbachev's policies require the complete repudiation of the revolutionary transformation of society and the international class struggle that was part of the Stalin era.

It was a positive step, then, to counter the new barrage of lies and half truths concerning the Stalin era that have emerged from Russia. However the article is not convincing. It relies almost solely on sources from the 1930s and 1940s and ignores all the debates and the evidence that they have generated over the past forty years.

The Stalin article does not confront head on such issues as:

(1) What were the reasons for the collectivization of agriculture in the Soviet Union in the early 1930s; Was it "forced;" How could its deliterious results have been avoided?

(2) What caused the Soviet Great Purges of 1937-38 and what were their scope? Did they effectively eliminate "enemies of the people;" Why were many innocent people affected?

(3) Why did the USSR do so poorly in the first phase of the Nazi invasion of the Soviet Union in 1941? Did large numbers of Soviet citizens actually support the fascist invaders?

(4) What was the nature of the "mature Stalinism" of the late 1940s? Was it "totalitarian" as Western and current Soviet writers claim? What mistakes allowed revisionism to triumph in the USSR?

(5) What was Stalin's role in all this?

This is not to say that the accomplishments under Stalin should not be underscored, but that the article failed to address questions that readers presumably would have had in mind. I would suggest that a new article be written which confronts some of these issues and takes into account the vast literature on the subject that has emerged, particularly in the last decade.

CALIFORNIA READER

WANTS FOLLOW-UP TO STALIN ARTICLE

DEAR EDITOR: The first issue of THE COMMUNIST was a welcome breath of fresh air amid the stench of the anti-communist orgy being spread around the world by the Moscow-Washington-Beijing ruling classes. This was especially true about the articles on the Soviet Union under Stalin and China under Deng. The facts about the Soviet long-term preparation for invasion belie the fairy tale that Stalin

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"had faith in" and "let in" the Nazis.

This broad article should spawn specific ones on the nature of the anti-Soviet invasion from 1918-25 (this was the first time I saw a figure on deaths due to that all-out Allied assault); on the treatment of the young (this article really whets the appetite on that subject); on the events during the 1930s leading up to the German-Russian pact; the preparation for war during that pact; and the effect of communists (and the inspiration from the Soviet Union) on the anti-Nazi underground resistance in Europe.

A few technical suggestions: (1) The continuation or "jumping" of articles makes it more difficult (for me) to read. I think it's better if articles run one after the other as complete units; (2) The article on *Freedom and Dictatorship* needs explanations of a number of the quotes from Marx. They're not that easy to understand; (3) "Amplifications" as a title is not the most widely understood word; (4) one typo on page 62 distorted the meaning intended: "splitting the Soviet camp" should have read "splitting the anti-Soviet camp."

All in all, an excellent start.
A NEW YORK READER

ANOTHER LOOK AT THE SOVIET PURGE TRIALS— BUKHARIN WAS NO SPY

DEAR EDITOR: The article *Stalin's Successes* in the first issue of THE COMMUNIST briefly discusses the purge trials. I would like to comment on the charge the accused were foreign agents.

I have read the trial transcripts and many other documents of the times. This led me to certain conclusions which seem obvious in light of the political situation then existing.

To summarize: By and large, those executed in the purge trials were guilty of plotting against the CPSU, plotting against Stalin's and the CPSU's decisions to rapidly industrialize and to move against the kulaks. Bukharin and his associates genuinely believed that the plan for socialized development, collective farms and five-year plans would lead to a disastrous break-down of the Soviet economy and, of course, to defeat in a future war. They expressed their opposition to the Stalin plan within party circles as long as this was permissible. When the plans were adopted, and the rules of democratic centralism forbade continued opposition, they still persisted in agitating and fighting against the plan.

They understood this was impermissible in a communist party. They felt they were betraying communist discipline only from the highest motives—that is, that a disastrous plan had been pushed through only because of Stalin's control of the party delegates, and that only their illegal opposition could save the nation from the disastrous outcome of this plan.

Bukharin had once before in his life decided to violate—in the most ruthless and individualistic way—a party decision that he personally was convinced would lead Russia to disaster. This was in connection with the Brest-Litovsk peace offer made by Lenin to buy time for the Red Army. Bukharin, along with Trotsky and others, was convinced that this was a mortal mistake. He was ready to join in an assassination of Lenin as being the only means to avoid this policy (by his own account.) Fortunately, the correctness of the policy emerged before this plan was implemented.

So, the core of the Bukharin movement to undermine forced industrialization and collectivization was based on a desire to "save" Russia, not to sell her out. Of course, anti-worker elements and foreign intelligence forces climbed onto their bandwagon, since they were the only viable home-grown opposition to the Party. Of course, Trotskyites knew that their only chance to regain influence in Russia would be through some sort of liason with these forces.

Equally evident: since Trotskyism was becoming mainly an exile force, which needed funds to keep going, it was not hard for German intelligence and British intelligence to establish links with it. Such is the dynamic of exile groups, to this very day. They are always fertile ground for CIA types. They always think *they* are "using" the CIA types, taking their money but remaining true to their own "cause." The CIA types likewise are content with their footholds in such movements.

By my judgment, however, the Bukharin forces were not dominated by exile Trotskyism, and thus were certainly not to be characterized as chiefly an exile-dominated organization whose strings were pulled by German intelligence. Indeed, they had links to Trotsky who in turn took money where he could get it. But their main forces were, I repeat, sincere party people who genuinely believed that the Stalin plan would over-reach itself and lead to disaster. They

thought they were saving the country and the party. Only that conviction allowed them to violate all their training in party discipline, in democratic centralism. Lenin had once done something similar, in the battle against the Mensheviks.

Now, as in the case of Brest-Litovsk, came the time when the party decisions against which they had plotted proved to be correct. By 1937 there was no denying that Stalin's policies were strengthening Russia, improving standards of living, creating a heavy industry which would be the backbone of a mighty Red Army, etc. If Bukharin and his allies had merely fought against the Stalin plans in a party way, observing the rules of democratic centralism, they could now have dropped their opposition. That, of course, was impossible, as their opposition had been illegal and had even spilled over into sabotage (designed by over-zealous or Trotskyite or criminal elements of this opposition, desperate to "prove" that collectivization and the five-year plans couldn't work).

It is not difficult to see how the Bukharin followers could commit sabotage without considering themselves to be anti-Soviet.

Their fundamental proposition was: rapid industrialization and collectivization will inevitably fail. This will be a tragedy for the Soviet Union because of the vast amount of resources which will be wasted in these unsuccessful efforts.

From this proposition follows the next: since these policies will inevitably fail, it will be much better for the Soviet Union if they fail quickly, since this will mean less resources will be wasted.

From this it can follow that: if you are a party official or worker whose duty it is to carry forward those plans, if you drag your feet and fail to put forth your best effort, you are actually doing the USSR a good service, since you are helping these doomed policies to fail faster.

It is a very small step—or no step at all—from this last conclusion, to consider and implement sabotage.

Naturally the more poisonous anti-worker elements who rode on the coat-tails of the "true" Bukharinites would push as hard as possible for sabotage.

At this point Stalin moved against them. They had lost any possibility of mass support; more important, they had completely lost confidence in themselves. Now they knew that what they had done was historically wrong and monstrously criminal. It could only have

been justified if Stalin's policies led to failure—and now it was clear that this was not the case.

The big "mystery" of the Moscow trials continues to be posed as: Why did they confess? The popular western answer is: fiendishly clever secret police methods and threats against their families. But these were tough old Bolsheviks. They had their chance to stand up in front of world-wide observers in the court and repudiate their confessions. They didn't.

The solution to the great "mystery" is that *they considered themselves to be communists.* They now had been forced by events to see that what they had done was a criminal mistake. Only communists would have decided to now do whatever the party majority and Stalin decided would be of the most use to the party in reuniting the people and undermining the exile movement and fifth-column activity.

The main crimes of this group had been inside Russia. However, there were contacts with Trotsky, and Trotsky, as I said, may have been taking money wherever he could find it. Stalin wanted to over-emphasize the international aspects of what this group had done. Therefore a portion of the confessions were tailor-made to help the party in its fight against Trotsky and against imperialist plots. In varying degrees, the Bukharinites resisted this tailoring of their confessions. Bukharin himself refused to acknowledge any foreign links. But Bukharin had always been less of a disciplined party man and more of an individualist than most party cadre. The others finally went along, as a service to the party.

They wanted to believe that, in the end, they were serving the party and were dying as communists—though errant. At the time of their execution many of them called out: "Long live communism."

It seems to me that this thesis much better covers all the facts than any of the usual alternatives. If you read the transcript of the trials you will get an unmistakable feeling that something of this nature was going on. I am sure that more painstaking research could buttress this thesis more satisfactorily.

Note that if they were primarily "foreign agents" Stalin could have moved against them at any time. But if they represented a significant minority opposed to the economic plan, he had to wait for a climate of success to cut them off from their base.

Note also that, as a result of World War II the Russians gained access to all sorts of secret German archives. As far as

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I know Stalin never announced that he had *now* found further evidence corroborating the "foreign agent" charges made against the Bukharinites.

I must repeat that all this seems self-evident to me from voluminous readings in source materials. The more one reads such materials the more such a theory is necessary to reconcile otherwise contradictory strands.

A READER

"FREEDOM" ARTICLE WAS WRONG

DEAR EDITOR: The article *Freedom and Dictatorship* was not based on a working class line. There are numerous examples of an ideologically incorrect outlook.

• It is true that egalitarianism means social equality for all, and that is precisely what we must oppose. There can be no "social equality" for enemies in a class war. To find ourselves even suggesting this should make us pause and analyze our position. There is nothing to stop you from fighting for that kind of society, but don't confuse this with the life or death war to smash capitalism and deny the rights of the capitalist class.

• The article has a section on majority rule. We should be wary of the "majority" or numbers game. The working class will not lead the revolution because it is a majority. That is not the point. It may very well be a minority. The key is their relation to the means of production. This very real fact of life that defines the working class determines why this most progressive of all revolutions will eventually free all of society. The working class, the actual producers, by definition cannot exploit.

• In this society the rulers do try to lead us to think that freedom means "you can do what you want to do." That is the concept of freedom they would like us to have. *Bourgeois* freedom is all about "Getting from I want to I can." Despite what the article claims, this is not the concept of freedom in the minds of millions of workers who are facing the harsh realities of class war. *Our* freedom is—just that. *Our* freedom, or no freedom at all. Not by choice but by realization. Getting from "We must" to "We will" by way of "Here's how" is our concept of freedom. The only real freedom is our collective freedom.

• One could argue that politicians could care very much about free and fair elections. Such elections are not incompatible with capitalism, though granted they are a longshot.

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of freedom. The only real freedom is our collective freedom.

• One could argue that politicians could care very much about free and fair elections. Such elections are not incompatible with capitalism, though granted they are a longshot. What is free is anything acceptable within the dictatorship of the capitalist class. Therefore no matter how fair politicians want to be, we can never vote in a fundamental change, that is the dictatorship of the working class. Governments may change, but state power must stay in the same class hands.

• The ideological errors of this article become apparent in its conclusion, which in fact does not flow logically from the article but contradicts it. The conclusion says the working class will lead its allies in the final military struggle to smash the state of the capitalists and establish our own working class dictatorship. (Is this what is meant by "transform itself"?) Every class should be defined—and in reality is defined—by its relationship to the means of production. But this article defined classes in different ways, including the mistaken idea that classes are defined according to their relation to the wage system. If this were true then abolishing the wage system would abolish the working class as a class. The article supports the dictatorship of a class that no longer exists as a class. And if we accept the Marxist-Leninist definition of a state as "the organized violence of a class to maintain power," whose state would it be, and who would there be to rule?

A READER

FREEDOM AND DICTATORSHIP

Part Two: Lessons From The History Of Proletarian Dictatorship

A Bolshevik workers' Red Guard patrol, November 1917

The beginning was only some 120 years ago. A handful of revolutionaries led by Karl Marx started the struggle to bring about a proletarian dictatorship, a battle to make the working class the ruling class in society,

Their aim, as is PLP's aim, was the social emancipation of working people from capitalism.

One of the things we mean by social emancipation is that ***working people are to free themselves from exploitation; free themselves from political, social, racist and sexist oppression; free themselves from authoritarianism and domination; free themselves from inequality.*** All these things are the product of capitalism.

The other thing we mean by social emancipation is that ***working people are to become free to develop a new way of life of equality, solidarity and cooperation.*** This is communism.

These revolutionaries were mostly working people themselves, who were fed up with their class' poverty and outraged by the stolen wealth and unjust privilege enjoyed by their bosses and rulers. They devoted their lives to change this.

In time this handful of revolutionaries convinced thousands to join them. In their turn these thousands organized millions and then hundreds of millions into political struggles and wars to end the oppressive rule over society by those who own private property.

In the roughly 30 years between 1917-1950, communists, acting as a revolutionary leadership core, seized power in countries where about a third of humanity lives. Then they set about reorganizing society as best they knew how, to make it work in the interests of this social emancipation of working people. These attempts to bring the proletarian dictatorship to life lasted about a generation.

This thirty-year history showed that two conditions are needed to bring about the proletarian dictatorship:

- **a political party has to be in power which is made up of revolutionaries committed to the interests of working class freedom**

- **this party has to carry out mass-struggle policies based on equality and promoting the working class' own administration of everything.**

Without these two conditions the proletarian dictatorship cannot be set up and cannot continue.

These are the conditions needed to bring about the struggle for a communist life. By taking part in this struggle the working people stop being exploited and oppressed, recognize and embrace their true class interests, and finally start to be free to develop their human potential.

This is what we now know about the dictatorship of the proletariat from analyzing its history.

The founding communists started out with two handicaps.

• First, they were pioneers. No one ever had tried to do this. There were no models, no tried-and-true rules, no experience from which they could learn. They had to rely on logic. This guaranteed they would make many practical mistakes before they could hope to understand the laws of the revolutionary process they were trying to direct. (People must interact their ideas with their activity—each one simultaneously affecting and being affected by the other—for knowledge to develop.)

Nor was this a calm experiment in a quiet lab, where if you make a mistake you clean out the dish and start again. No. Not here. This is passionate life-or-death class struggle involving powerful social forces. Here there are huge upheavals, mass movements, wars. This is learning how to run while having to run at top speed.

Nor can this condition of relative ignorance, of having to feel your way forward, ever be overcome. There is always unmapped ground ahead.

• Second, the countries communists came to rule had been destroyed by the selfishness of the previous ruling classes. If not for this ruination the revolutionaries never would have been able to come to power.

Workers can't win freedom unless a revolutionary political party devoted to working class interests is in power.

Sometimes the bourgeoisie of different countries fought among themselves for profit, and their war produced such horror and misery the working people finally rose against them. This is how the Paris Commune and the Bolshevik Revolution were sparked.

Sometimes the bourgeoisie repressed the working people so violently the only way to stay alive without being enslaved was to take up arms. This is how the Chinese Revolution was born.

In every case where a communist group was victorious, the bourgeoisie started a civil war or a foreign invasion to win back what they had just lost.

One way or another, the proletarian dictatorship was always born, and always will be born, in a society bled and destroyed by the bourgeoisie. Before anything else, the communists must cope with the problems caused by that destruction. It is amid ruins that revolutionaries must figure out how to build a new world.

BOLSHEVIKS LEARN FROM PARIS COMMUNE

The era of proletarian dictatorship began when the Bolsheviks seized power in Russia in 1917, during the First World War.

The Bolsheviks had a little bit of experience to go on, and this was the secret to their initial success. Lenin drew on Marx's and Engels' study of the experience of the French revolutionaries who established the Paris Commune forty six years earlier. Although the Commune lasted only two and a half months, Marx and Engels regarded its experience as invaluable because it was the "first dictatorship of the proletariat."

On March 18, 1871, during the murderous patriotic frenzy of the horrible Franco-Prussian war, the Parisian workers' leaders (members of the French section of the International Workingmen's Association led by Karl Marx) seized power and organized this new kind of government, the Commune.

The French Communards immediately instituted a series of measures aimed at emancipating labor from wage slavery. *They were able to do this because their very first step was to disperse the bourgeois government, its parliament and bureaucracy, disband its army and police, and organize their own. This was one of the Commune's greatest successes.*

Confronted by the Commune, the French and German bourgeoisies temporarily called off their war against each other and united against this greater threat. For 72 days the combined French and German "enemy" armies attacked the

If the workers' revolution doesn't implement egalitarian policies as soon as it seizes power it will bury itself.

Commune defense lines. The Commune leaders had little military knowledge and were very disorganized. They adopted a passive defense. This defeated them. The bourgeois enemy finally recaptured Paris and disarmed the Communards. *Then* they shot 40,000 men, women and children in cold

blood. The bourgeoisie never changes.

The main lesson the Bolsheviks learned from the Commune was this: *Since the capitalist state exists to keep capitalism alive and well, in the first place by repressing its enemies, the capitalist state has to go. It has to be replaced by a state suited to proletarian dictatorship. The proletarian state exists to make sure all capitalist practices are illegal and are suppressed. You have to crush your class enemies, or they will crush you.*

Benefiting from this lesson, the Bolsheviks were the first revolutionaries to set out consciously to get rid of the capitalist state and replace it with a workers' state, prepared to defend that state by suppressing the bourgeoisie as ruthlessly as necessary.

THE BOLSHEVIK EXAMPLE

Here is how the Bolsheviks applied this lesson:

By February, 1917 the World War which the Czar had eagerly joined in 1914 in the hope of grabbing some land at Germany's expense, had instead destroyed the fighting effectiveness of his army. The German army had killed millions of troops and the war's destruction had killed millions of civilians. Russia was in ruins. The Czar was forced to abdicate, the dynasty fell, the monarchy ended. A liberal bourgeois government, which came to be led by Social Democrats, tried to take its place.

At the same time independent Councils ("Soviets" in Russian) of Workers and Soldiers (and later of Peasants) Deputies were organized. These Soviets were composed of delegates nominated by the various revolutionary parties and elected by workers and soldiers from their factories and regiments.

As in the Commune, which was their model, elections to the Soviets were continuous, since deputies could be recalled at any time. So the Soviets' political makeup changed from month to month, even from meeting to meeting, reflecting the changing political ideas of the workers and soldiers. The Bolsheviks, starting from a minority position, held the majority in the Workers' and Soldiers' Soviets (but not the Peasants') by the Fall of 1917.

The Soviets did not recognize the government's authority, and the government, in its turn, tried to suppress the Soviets. In April, even before the Bolsheviks had achieved a majority, Lenin demanded "All Power to the Soviets," on a Bolshevik program of "Peace, Bread, Land" and "Workers' Control."

The government tried to arrest the Bolshevik leaders.

At the beginning of November, judging the government to be on its last legs, Lenin organized the armed Bolshevik-led workers militia, called Red Guards, and mutinous Bolshevik-led army units. With these units, in the early morning of November 7, 1917, the Bolsheviks seized the capital, Petrograd, in the name of the Soviets, and arrested the bourgeois government's leaders.

The next morning the new Bolshevik-led Soviet government pulled out of the World War (over the pro-Russian, anti-German nationalistic protests of the other parties), proclaimed to the peasants they had the right to seize their landlords' estates ("Loot the looters" was the Bolshevik slogan) and Lenin announced in a famous speech: "We shall now proceed to construct the socialist order."

Now began the heroic epoch of the proletarian dictatorship, lasting about thirty years, a triumphal saga comprising civil war, foreign invasion, famine, ruin, reconstruction, industrialization, unprecedented educational, cultural, social, and health care developments, collectivization of farming, the building from scratch of the world's most modern war industry and the world's most powerful army—in short, the creation of a wholly new country.

The key to understanding this Soviet proletarian dictatorship lies in the relation between the peasantry, who made up 80% of the population in 1917, and the revolution.

In 1921, Lenin commented that in the winter of 1917-18 the Bolshevik leaders, without exception, believed "an immediate transition to the building of socialism" was possible. This transition was to be based on two conditions: the support of the peasantry and the support of a European revolution.

As we know, there was no European revolution. After 1917 the Soviets were surrounded by enemy governments representing classes who felt threatened by the Bolshevik example of successful working class revolution. Fearing their own workers, they not only refused the Soviets loans and even "normal" trade, but instead were bent on war to overthrow the Soviet government.

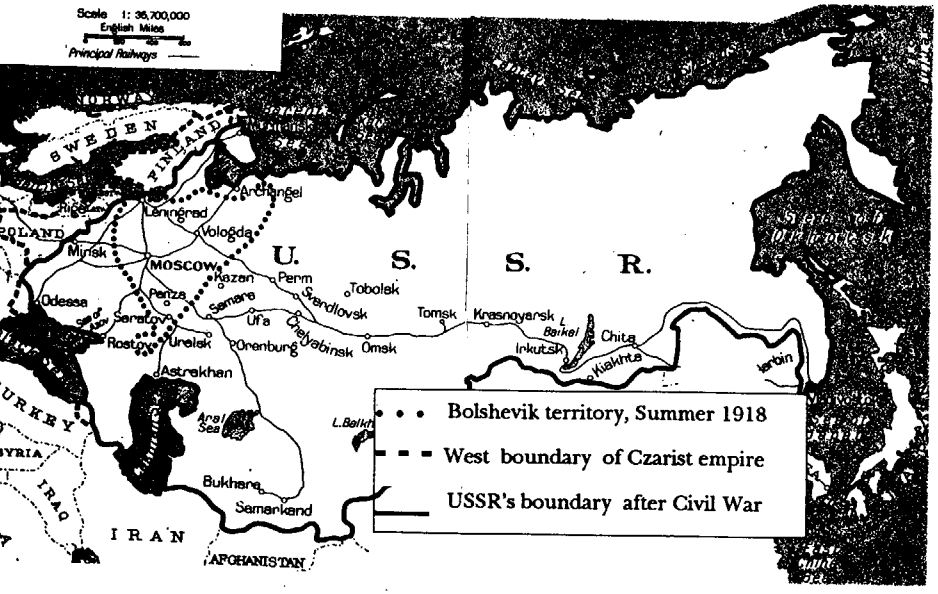
Their war of invasion failing, throughout the 1920s the European capitalist governments followed a coordinated policy of "quarantining" the new Soviet state. This policy failed through

diplomacy and Western Communist Party campaigns for solidarity with the Soviet Union. In the 1930s Britain and France urged Nazi Germany to attack the Soviets. The Soviets tried to negotiate both with the British-French and with the Germans to stay out of war. But in 1941 Hitler and his allies did attack, and ultimately were crushed.

As for the peasants, they supported the revolution which had given them land. But then the Civil War began in December 1917, with counter-revolutionary armies massing in the Ukraine and southeastern Russia. They were supported by fourteen foreign bourgeois invading armies. First came the Czechs in March 1918. The Japanese landed in April. Hard on their heels were the Poles. In all, fourteen foreign armies joined the invasion.

As the Civil War progressed the Soviet government increasingly lost control of the raw material sources for what little industry remained functioning after the World War. First call on what they could produce went to the newly-formed Red Army, hastily called into being to fight the Civil War and foreign intervention. Almost nothing was left to distribute to the peasants in exchange for food for the army and the cities. The peasants refused to turn over food, or even to plant more than they themselves needed to eat.

To keep the Red Army and the cities alive the Soviet government organized committees of



poor peasants and armed detachments of factory workers and sent them to scour the countryside for food, which they were empowered to confiscate. Half they could keep for themselves, half they were to turn over to the government.

The peasantry was thus split. The poorest peasants, who were themselves starving, supported the Bolsheviks. The middle and rich peasants, who had food and the means to grow it, opposed the counter-revolution because they wanted to keep their land. But they passively opposed the Soviets by refusing to turn over food.

Although by 1921 the Bolsheviks had won the Civil War, the economy was destroyed and famine raged. "Peace" had to be "negotiated" with the middle and rich peasants. Lenin introduced "a retreat": the New Economic Policy, which legalized private commodity production and private trade, to induce the middle and rich peasants to grow a surplus. This policy lasted until 1928, during which time a thriving private sector economy developed in the country- side—hardly a transition to the first stage of communism.

The unforeseen course of the revolution, the Civil War and the attitude of the peasants were reflected in the political institutions of the new proletarian dictatorship. The two most important consequences were the emergence of the Bolshevik monopoly of political power; and the development of the Soviet bureaucracy into a new exploiting class, and the struggle against that trend.

THE DEVELOPMENT OF PARTY DICTATORSHIP

There were four main parties within the Soviets at the time of the Bolshevik revolution. All claimed to be socialist. Besides the Bolsheviks there were the Mensheviks, the Right Social Revolutionaries (SRs) and the Left SRs. The Bolsheviks were the ruling party, but still one of several parties. They were joined in the government by the Left SRs, whose base was the middle peasantry.

The Left SRs withdrew from the government (but not from the Soviets or the Soviet Central Executive Committee) in March 1918, in opposition to the signing of the peace treaty with Germany. This left the Bolsheviks alone in the government.

In May 1918, with the civil war quickening, the Right SRs adopted a policy "to overthrow the Bolshevik dictatorship and establish a government willing to accept Allied assistance in the

war against Germany." At the same time the Mensheviks split, although all sides opposed the Bolsheviks and the peace treaty.

In the Spring and Summer of 1918 Moscow was full of German and Allied agents, fragments of the old Right and Center parties and the various leftist groups, all plotting, separately and in combination, against the Soviet government.

In June 1918 the Soviet Central Executive Committee, after a long debate, voted to expel the Right SRs and the Mensheviks because of their association with "notorious counter-revolutionaries" seeking to "organize armed attacks against the workers and peasants."

Only the Bolsheviks and Left SRs remained in legal existence although the banned parties continued their activities, even publishing papers. But the Bolshevik policy of grain confiscation hit hard just those peasants who were the Left SRs' most solid supporters, and they were ready to break with the Bolsheviks with whom they still worked in the Soviets, the Soviet Central Executive and the Cheka, the security police.

On July 4, 1918 the fifth All-Russian Congress of Soviets opened in Moscow with 745 Bolshevik delegates, 352 Left SRs and 35 representing smaller groups. Heated debate arose between Bolsheviks and Left SRs over the German peace treaty. On July 6 two Left SRs assassinated the German ambassador in an attempt to provoke a German attack, thus nullifying the treaty. Simultaneously the Left SRs attempted a coup in Moscow and started insurrections in several provincial cities, financed by the French embassy. The Moscow coup was quickly put down. The other insurrections were suppressed within two weeks. Most of the Left SR delegates were arrested. The Soviet Congress recessed for three days, and upon reconvening expelled the Left SRs.

On August 30, 1918 the SRs struck again, murdering Uritsky, a leading Bolshevik, and nearly killing Lenin. To this "white terror" the Soviet Central Executive declared "the workers and peasants will reply by a mass Red Terror against the bourgeoisie and its agents." The Red Terror lasted through the Fall. Thousands were executed by the Cheka.

As a result of these events in the Summer of 1918 the Bolsheviks were left without rivals or partners as the ruling party in the state. This

monopoly was something they had not anticipated, did not desire, did not foster and tried to undo. But what were the Bolsheviks to do? Not end the imperialist war? Not distribute the land? Not fight the bourgeois counter-revolution? Every group within the revolution has to drive the revolution forward toward the social emancipation of the working class. That is the point of the revolution. The other parties pulled out.

Lenin was perfectly justified when he retorted to those who attacked the "dictatorship of one party:"

Yes, the dictatorship of one party! We stand upon it and cannot depart from this ground, since this is the party which in the course of decades has won for itself the position of vanguard of the whole factory and industrial proletariat.

In November, 1918 the sixth Soviet Congress called off the Red Terror. The Soviet Executive annulled the ban on the Mensheviks and in February, 1919 the Left SRs were likewise reinstated, provided both stopped supporting counter-revolution. Lenin said to them, "You are not a serious enemy. Our enemy is the bourgeoisie. But if you march with it then we will have to apply to you too the measures of the proletarian dictatorship."

The Mensheviks and Left SRs continued their political life, participating in Soviets, holding meetings, controlling some unions, but their support was disintegrating. By 1921 most of their rank and file either went over to the Bolsheviks or dropped out of political activity. Only the Bolshevik party remained.

For a considerable time however, a substantial proportion of the members of local Soviets and of other state bodies were non-Bolsheviks, with the Bolsheviks in the minority.

The Bolsheviks worked hard to get their members to participate in the state administration, and to form "organized fractions" so that, when participating in Soviets, unions, cooperatives and other elective organs, they would speak with one voice and "vote together." (Imagine the disorganization and chaos that must have existed to require such a written directive.)

The party leadership emphasized that it was the party's duty "to lead the activities of the Soviets, but not to replace them." As late as March 1922 the eleventh party congress' main resolution asked for "a far more precise distinction between its current work and the work of the Soviet organs,

between its own apparatus and the apparatus of the Soviets."

But Lenin had no patience for this. Experience had taught him who was prepared to offer the revolution the required leadership: In 1921 he wrote:

As the governing party we could not help fusing the Soviet 'authorities' with the party 'authorities'—with us they are fused and they will be.

TYPES OF DEMOCRACY

Democracy, or "majority rule by the people," is merely a method to regulate a political system. It is a tool, one of many possible tools, for this job. Autocracy (rule by a single person) and oligarchy (rule by a group) are others. Consensus is another. Habit is another.

Like any tool, democracy has had many forms throughout history. Each form was appropriate for a particular society, and couldn't work in another. Who are "the people" who get to take part in decision making? What is legitimate? What is illegitimate? What can be decided? What is open for discussion? What can be organized? These are the variables that limit a democracy, and define one form of democracy from another.

Imagine a hammer. A carpenter uses one kind of hammer, a shoemaker a different type, a sheetmetal worker yet a third type. If you try to drive a stake with a tack hammer you will fail. Some hammers use the force of your arm. Some use gunpowder. Some hammers use air pressure and can drive twenty nails at once. There is no such thing as a "pure hammer" just as there is no such thing as "pure democracy."

One thing democracy cannot do. It cannot overcome the limits of the property-ownership system it regulates. It cannot change that system's essentials. It can only manage them. It cannot produce social emancipation if the ownership system of which it is a part is based on social inequality and oppression. Democracy is "system-dependent." If you want to know what you are talking about you have to specify which kind of democracy you mean.

In a class society, if there is to be democracy it can be real only for the dominant class. Democracy only works for those who control the system. When capitalism's con artists equate capitalism with "democracy," they are pretending there is such a thing as "pure democracy" and they are hiding—either intentionally or through ignorance—the limits of capitalist democracy. Don't be suckered.

SOME CLASSY DEMOCRACY

Here are some illustrations of this point:

- The Confederate States of America was a democracy for slaveowners. The slaves—who were the overwhelming majority—were excluded from that democracy.

Emancipating the exploited and oppressed slaves was outside the bounds of slaveowners' democracy. Emancipation was illegitimate, illegal, wrong. Slavery was legitimate. Democracy was incapable of emancipating the slaves. Successful war—class war—against the democratic state that protected and regulated the slave system was required to end that ownership system.

Was the Confederacy a good or a bad society? Your answer depends on your attitude toward slavery, not your approval of democracy. Democracy provides no standard for judgment because the Confederacy was both bad and a democracy.

- The Republic of South Africa is a democracy for an exploiting white capitalist class. They live a luxuriously privileged life by exploiting workers who are mainly black. To exploit these workers more thoroughly the rulers democratically decided among themselves to impose the oppressive apartheid system on top of the exploitative capitalist system. Apartheid is legal and legitimate in South African democracy. Anti-apartheid is illegal and illegitimate.

For forty years South African multi-party democracy served only to strengthen apartheid. If today apartheid is in crisis and cannot continue, that is equally a crisis for the current South African democracy, which is part of apartheid. It also cannot continue. Democracy didn't, can't and won't end apartheid. Armed struggle against apartheid is required to end apartheid.

Even if apartheid is ended, the luxurious privileged life the rulers lead because they are able to exploit twenty-eight million black workers will continue. This is demanded by the rulers. It is their price for agreeing to end apartheid. They agree to change their democracy, to include in it the twenty-eight million they intend to keep exploiting, provided their ownership system will not change. Privilege and exploitation are to remain legitimate. Opposition to it will remain illegal and illegitimate.

This new, expanded democracy will be of no use to the masses

of South African workers who wish to be free of their miserable poverty and hopelessness, just as apartheid democracy was no use to them to end apartheid.

These are but two of countless examples which illustrate a general truth: democracy within a class system cannot lead to the social emancipation of those upon whose exploitation the system is based.

For this reason democracy is not an absolute standard we can use to judge a society.

DEMOCRACY AND THE PROLETARIAN STATE

What working people need is democracy for themselves. To have democracy they need to control political power. Then they can use democracy to find and put into practice the best way forward to their social emancipation, and they can use their power to exclude their exploiters and oppressors from democracy.

Political power is the enforcement of ruling class interests organized in terms of legality. Ruling class interests are legal. Everything else is illegal and is suppressed. What is legitimate in a workers' democracy is promoting equality and egalitarianism and reordering the economy, health, culture and science to produce and distribute everything working people need and want.

What is illegitimate and illegal in a workers' state is anything promoting exploitation, oppression, inequality and authoritarianism.

Working people need more direct ways of exercising power than representative or parliamentary government allows.

Democracy depends on political power and political power is first and foremost the power to suppress. You can't build anything without first clearing the land. Suppression is done both violently and peacefully. The capitalists use armies, police, courts and jails for violently suppressing their enemies, enemies who never disappear.

The proletarian state is no different in this respect. It also needs armies, police, courts and jails to suppress the enemy capitalist class.

The capitalists rely on education, regimentation, cooption and social fluidity for peacefully repressing the working class and use schools, the cultural establishment, unions, welfare concessions and technocracy.

The working class relies on equality, mass struggle, self-administration of the state, the factories and the schools by the workers themselves, increased production and education to heighten cooperation and voluntarism to repress any new development of privilege and elitism.

This is how democracy changes during the transition from capitalism to communism. This is proletarian democracy and proletarian dictatorship. These are the two aspects of the dictatorship of the proletariat. As proletarian democracy expands, bourgeois democracy is eliminated. As the bourgeoisie sees it, any country where this occurs is lacking in democracy. But the bourgeoisie is wrong.

BOURGEOIS DEMOCRACY

The bourgeois idea of democracy is restricted to some kind of a representative, multi-party, congressional or parliamentary form of government. Such democracy is very limited. It is confined merely to elections. This form of government is subjected, as is the whole of society, to the rule of money. It turns out to be not very democratic and not very representative even in its own terms.

Assessing the United States' political system, Dr. James MacGregor Burns, a pre-eminent capitalist political theoretician, judges that, even from the viewpoint of capitalism's needs, it is not democratic, and doesn't work too well.

About the U.S. Constitution, he writes that the "system of checks and balances result[s in] fragmentation of power, frustrates leadership, saps efficiency and erodes responsibility."

The U.S. political parties, he says, have "wasted away." They "have lost the key functions of recruiting leadership, standing behind it in office and taking responsibility for its performance."

"In effect the governing party is failing to govern and the opposition party is failing to oppose."

And as for the centerpiece of U.S. democracy, the electoral system, Burns characterizes it as "domination by the media and money...the avoidance of real issues and...endless demagoguery..." (*N.Y. Times*, Feb. 8, 1990.)

The parliamentary system is no better.

Consider Britain, the model of the multi-party parliamentary representative system. In the last election Margaret Thatcher's Conservative party polled fewer votes than its opposition,

but still Thatcher controls parliament with a huge Conservative majority. This is "rule by the people?" Still, this is how the representative system works.

Consider Italy. Since 1945 the Italian Communist party (PCI) consistently polled about a third of the vote. You may remember that Reagan was reelected US President with a "landslide" vote "burying" his Democratic party opponent. But all Reagan got was about a third of the votes. All Thatcher gets is about a third of the votes. This has made Thatcher Britain's longest-serving Prime Minister of this century. That is bad enough. But Italy is even worse.

In Italy, despite garnering the same "landslide" votes as Reagan and Thatcher, the PCI has never been allowed to participate in the government at all. That is how parliamentary democracy works.

For all practical purposes the Italian working class (the PCI's voters) was disenfranchised for half a century by Italian parliamentary democracy itself. Time and again Italian workers had to confront Italian bourgeois democracy with the class war of general strikes to enforce demands which were only mildly reformist.

Let the capitalist theoreticians argue among themselves over whether a representative checks and balances system or a representative parliamentary system is better for them. The point for the working classes is that neither, by their very nature, is good enough for them.

No form of representative government can avoid alienating the masses of people from political power. Yet possessing and exercising political power is the first step in the working peoples long march to social emancipation.

No kind of parliamentary or congressional system is very democratic. In a proletarian democracy, if working people are to be free they require more direct ways of exercising their sovereignty and power.

No political party system in a capitalist society (a society everywhere demanding concentration of authority in the name of efficiency; a society based on domination and inequality) can avoid becoming a closed oligarchy of leaders; an oligarchy of elected leaders controlling the electing masses.

Already in the early 1900s the German, French and Belgian Social Democratic parties were filled with complaints against the "Byzantine" way party democracy was cast aside by the

party leaders. The Left then demanded a system of "democratic centralism," which Lenin adopted as the principle for "proletarian organization and discipline."

In a proletarian dictatorship, as classes are abolished, and class interests disappear, there must be a corresponding progression in political forms. There must be a movement from democracy to consensus, then from consensus to habit. Politics itself must wither away, and the proletarian democracy must promote this. The first step in this process is that the working people need to be able to control their leaders, something impossible in capitalist democracy.

THE STRUGGLE AGAINST THE SOVIET BUREAUCRACY

For Lenin the key political advance in the proletarian state was the development of workers' self-administration. For him the evil of the state was epitomized by bureaucracy ("the privileged position of officials as the organs of state power") and bureaucrats ("privileged persons divorced from the masses and standing above the masses.") Workers' self-administration would get rid of bureaucracy.

Before the October revolution Lenin looked on the Soviets as a new state form in which a "direct democracy" of workers could be realized. "Under socialism all will administer in turn and will quickly become accustomed to nobody administering."

In line with this, a few days after the revolution Lenin published the call:

"Comrade Workers! Remember that you yourselves now administer the state. Nobody will help you if you yourselves do not unite and take all the affairs of the state into your own hands. Your Soviets are henceforth the organs of state power, organs with full powers, organs of decisions."

Not only state affairs, but also production and distribution were to be so managed.

Throughout the remainder of his participation in the revolution Lenin continued to promote different approaches to developing workers' self-administration. But he failed to solve the problem.

Immediately after October, 1917 chaos threatened. The old administrators and managers refused to work for the Soviet government. Administration ground to a halt.

Throughout industry "workers' control factory committees" were organized by the

Bolsheviks, beginning as soon as the Czar fell. Workers took over factories. In response management tried to lock-out the workers and close down. Adding this to the war-caused raw material shortages and the breakdown of machinery and the result was that industrial production disintegrated by Spring, 1918.

Lenin then demanded strict centralization as the only way out of the chaos. Just as strongly he insisted that "for the period of the transition" industrialists and capitalist technicians be *lured* to work by paying them high wages. This was adopted. By December, 1918 60% of those involved in directing the Soviet economy were former employers and capitalist managers.

The Civil War, which flared up in 1918 and which was marked by foreign invasion, strengthened the need for administrative efficiency, but made it easier for the Soviets to attract the bourgeoisie on the basis of patriotism.

When the war was won Lenin remarked it was "thanks in part to our skill in utilizing bourgeois specialists. The policy-...must become the policy of our domestic reconstruction." In the view of most Bolsheviks, sufficient numbers of workers were not yet able to administer the state, and until then bourgeois specialists were required. This meant giving them privileges and making them feel wanted.

As a result the typical Soviet bureaucrat in the first ten years or so of the regime was as a rule a member of the old bourgeois or Czarist official class, who brought into Soviet life the traditions of the old Russian bureaucracy.

Is it any wonder that the authoritarian management techniques, the rapacious capital accumulation approach and the management-oriented industrialization and production plans this bureaucracy came up with could have been developed by any orthodox capitalist economic team? But these techniques and plans were how the Soviet Union developed itself.

In the 1920s there were campaigns for workers' control and campaigns to expose and combat bureaucratic corruption and abuses. A government anti-bureaucratic inspection agency was established. Investigative newspapers were founded and a nationwide mass movement of worker journalists was organized.

None of this could prevail against the actual class structure of privilege created by the

Soviet's economic development approach. This approach was founded on wage differentials, gave priority to "efficiency," and was based on "the principle of one-man management." This was a "principle" even the most radical anti-bureaucratic Bolshevik never challenged.

ANTI-BUREAUCRATIC CAMPAIGNS IN THE 1930s

Molotov, for example, leader of the radical anti-bureaucrats in the 1930s, supported one-man management but said about it:

We cannot reconcile ourselves with such an interpretation of this principle as when leaders oppose themselves to the rest of their workers, when they consider themselves freed from the control of the masses...

The radicals favored a faster rate of industrialization than the "moderates." They assumed industrialization would produce a new mass political consciousness. They also favored the quickest possible promotion of so-called "new men"—young cadres to replace the older bourgeois specialists.

But the one-man management principle inevitably made the economic planners and managers—"old men" or "new men"—practically autonomous in their areas of responsibility. Since the party made industrialization its main effort between 1929-33, and took over responsibility for day-to-day economic management, this "principle" came, by the mid-1930s, to characterize the party's life. The middle level leadership—the provincial and regional leaders—became kings in their own kingdoms.

In 1937, Stalin—whose reputation throughout the 1930s was that he was a kind of populist muckraker, a man who hated neckties—attacked the bureaucratic practices of the regional party apparatuses in these words:

Most frequently, so-called acquaintances are chosen, personal friends, fellow townsmen, people who have shown personal devotion...irrespective of whether they are suitable from a political and a businesslike point of view.

Naturally, instead of a leading group of responsible workers, a family group, a company, is formed, the members of which try to live peacefully, not to offend each other, not to wash their dirty linen in public, to eulogize each other and from time to time to send inane and nauseating reports to the center about successes.

It is not difficult to understand that in such conditions of kinship there can be no place either for criticism of the shortcomings of the work, or for self-criticism by the leaders of the work...In addition, when select-

ing personally devoted people as workers, these comrades evidently have wanted to create for themselves conditions which give them a certain independence both of the local people and of the Central Committee of the party.

To oppose this trend, the radical anti-bureaucrats led by Molotov, and Stalin and later Zhdanov (who became Leningrad party head) first tried public speeches and press exposes. They then set up a Control Commission and sent out inspectors.

In 1934 Stalin proposed sending the whole leadership—then numbering between 130,000-190,000—to full-time party training schools for six months to re-educate them politically.

When the Stakhanovite campaign developed in 1935-36—a campaign in which individual workers tried to set daily production records and were rewarded with big bonuses—Stalin supported it as a revolutionary movement "from below" aimed against "the conservatism of certain engineers, technicians and business executives."

In 1936 Zhdanov proposed removing patronage from the hands of the regional and local authorities.

At the end of 1936, a series of suspicious explosions in mines crippled production and killed many miners, Sabotage was suspected. Stalin reorganized the secret police. He put party radicals in charge and set them on a "vigilance" campaign against the bureaucracy.

In February, 1937 Stalin proposed de-emphasizing the party's economic administrative work and emphasizing instead political education and mobilization.

Zhdanov followed this up by proposing the election of all local and middle ranking officials by secret ballot from an unlimited list of freely nominated candidates.

In preparation for these elections a campaign for "inner-party democracy" was mounted by the central leadership. This was understood to mean the "responsibility" or "accountability" of leaders to the party masses. This meant, in practice, election of local officials and periodic reports by the leadership to the members, where the leaders would be expected to deliver self-criticism, and the members would have the right to criticize the leaders. A wave of criticism meetings were organized, which showed there was considerable rank-and-file dissatisfaction.

The elections were held as planned in April 1937. The results nationally were that 55% of the old leaders were voted out, and in some areas this rose to 65%.

Parallel with this attack "from below" was the secret police "vigilance" campaign "from above," inaccurately characterized in the capitalist world as the "Great Purge." This peaked in July, 1937 and was aimed mainly at senior leaders in the economy, and at the regional party machines. It also hit the army.

In self-defense, the local party secretaries, being hit from all sides, tried to shift the attacks against them by "discovering" and expelling rank-and-file "enemies and spies." There was great chaos.

By the end of 1937 most reg ional party secretaries had been replaced. The old bureaucracy was destroyed. "New men" were promoted, many of them Stakhanovites and new graduates of Soviet colleges. Still, the campaigns continued.

In October, 1937 Stalin tried to curb the movements he had helped unleash, by praising the new technicians and managers, saying that, unlike the pre-revolutionary bunch, these deserved trust and respect and should not be persecuted. But he had little success in controlling local events. Local turmoil continued until 1939.

In the end, "one-man management" remained. Privilege remained. New men were in power, but the old patterns of power remained.

The bureaucrats were institutionalized within Soviet life. They maintained their own group identity and interests. No matter how many individuals were criticized, replaced, repressed, arrested, exiled, executed, the caste remained. New graduates of Soviet colleges adapted themselves to its life-style and outlook, and joined it. A new class was developed.

On October 3, 1940 the Soviet government suddenly abolished scholarships for higher education and at the same time introduced a system of tuition fees. A college student in Moscow at the time later wrote:

...it was practically impossible for many of the children of workers or [collective farm] peasants to continue their studies...students whose parents belonged to the poorer classes were leaving the Academy. In fact, there soon remained only the sons and daughters of the privileged classes, such as officers and other people in positions of responsibility

...Appointment to practically all important positions in the Soviet

Union depended on graduation from an academy. Until 2 October 1940 it was possible in practice for any gifted and industrious child of a working-class or peasant family, irrespective of their parents' financial situation, to have ten years at school and then go on to the Academy. After that, every kind of possibility was open to them...But from 2 October 1940 onwards, as a general rule the only young people who could rise to the higher positions were those whose parents had already held high office...the bureaucratic ruling class...was now beginning in 1940 to shut itself off from outsiders and was thus taking the first step towards making its privileges and functions hereditary. (Wolfgang Leonhard, *Child of the Revolution*, London, 1957)

CHINA'S PROLETARIAN DICTATORSHIP

In 1966, only seventeen years after the Chinese Communist Party (CCP) and its middle class allies established their new state, copied from the Soviets, millions of revolutionary Chinese students and workers and a section of the party cadres rebelled, threw the party out of power, and forced it and the state to dissolve. This rebellion was called the Great Proletarian Cultural Revolution.

Their aim was a new state, one based on workers' rule and egalitarianism, a new form of the proletarian dictatorship, different from the Soviet model.

The Cultural Revolution was the last and the greatest of a series of Maoist-inspired campaigns, starting in 1955, aimed at transforming the state: increasing worker influence in factory management; transforming peasants into workers; making local areas self-sufficient in basic food production (the foundation for local self-government); lessening social and income inequalities; and weakening the division of labor, with the goal of eventually ending the labor market.

DEMOCRATIC CENTRALISM

In 1962 the conflict between Liu Shao-chi and Deng Shao-ping, who supported copying the Soviet model, and Mao Tse-tung, who had been formulating a new approach, first came to a head. Mao had been grappling with the problem of how to develop the self-rule of the working people. He decided that democratic centralism based on proletarian democracy, was the key aspect in the proletarian dictatorship, and in January 1962 he gave an important speech on this subject, saying, in part:

Both inside and outside the Party there must be a full democratic life, which means conscientiously put ting democratic centralism into effect. We must conscientiously bring questions out into the open,

Chinese textile workers preparing posters denouncing capitalist practices in their socialist factory

and let the masses speak out. Even at the risk of being cursed we should still let them speak out. The result of their curses at the worst will be that we are thrown out and cannot go on doing this kind of work—demoted or transferred. What is so impossible about that? Why should a person only go up and never go down?...

In 1957 I said: 'We must bring about a political climate which has both centralism and democracy, discipline and freedom, unity of purpose and ease of mind for the individual, and which is lively and vigorous.' We should have this political climate both within the Party and outside. Without this political climate the enthusiasm of the masses cannot be mobilized. We cannot overcome difficulties without democracy. Of course, it is even more impossible to do so without centralism, but if there is no democracy there won't be any centralism.

Without democracy there cannot be any correct centralism because people's ideas differ, and if their understanding of things lacks unity then centralism cannot be established. What is centralism? First of all it is a centralization of correct ideas, on the basis of which unity of understanding, policy, planning, command and action are achieved. If people still do not understand problems, if they have ideas but have not expressed them, or are angry but still have not vented their anger, how can centralized unification be established? If there is no democracy, if ideas are not coming from the masses, it is impossible to establish a good line, good general and specific policies and methods...

Our centralism is built on democratic foundations; proletar-

ian centralism is built on broad democratic foundations...

Unless we fully promote people's democracy and inner-Party democracy in our country, and unless we fully implement the system of proletarian democracy, it will be impossible to achieve a true proletarian centralism. Without a high degree of democracy it is impossible to achieve a high degree of centralism, and without a high degree of centralism it is impossible to establish a socialist economy...We shall become a country like Yugoslavia, which has actually become a bourgeois country; the dictatorship of the proletariat will be transformed into a bourgeois dictatorship, into a reactionary fascist type of dictatorship...

Without a system of democratic centralism the proletarian dictatorship cannot be consolidated. To practice democracy among the people and to practice dictatorship over the enemies of the people, these two aspects are inseparable. When these two aspects are combined, this is then proletarian dictatorship...

...To exercise dictatorship over the reactionary classes does not mean that we should totally eliminate all reactionary elements, but rather that we should eliminate the classes to which they belong. We should use appropriate methods to remold them and transform them into new men. Without a broad people's democracy, proletarian dictatorship cannot be consolidated and political power would be unstable. Without democracy, without the mobilization of the masses, without mass supervision, it will be impossible to exercise effective dictatorship over the reactionary and bad elements, and it will be impossible effectively to remold them. Thus they would continue to make trouble and might still stage a comeback...

The Maoist campaigns that resulted from this outlook had a lot of successes. In the villages, where 80% of the population live, and in other basic social units, there was a growth in democracy, as old customs and relations were modified to function democratically. A spirit took hold among the people, of independence, cooperation, simplicity and equality. Visitors to China then were powerfully moved by the atmosphere they encountered of shared faith in values founded on concern for the general good, values reminiscent of the Soviet Union during its first thirty years.

WHY THE CCP HAD TO FALL

But the weakness was that these values could not put an end to the hierarchic leadership forms of the state, which restricted the base communities. And here lay the political crisis.

For the CCP to have been capable of transforming its state it would have to have been made up of, and led by, poor peasants and workers. But it was actually composed of cadres, managers, educated members of the patriotic middle class, peasants and workers.

To confront its state the CCP would have had to lead a class struggle against the bourgeoisie. But the CCP instead led a united front which included the national bourgeoisie (which, together with cadres, intellectuals and scientists, composed the new ruling class.)

To develop democracy at all levels, the poor peasants and workers would have had to struggle against the CCP and the state managerial and intellectual elites. But this was the same apparatus empowered to speak in their names and guide them politically.

In these conditions, despite the best values there could be no adequate institutional means to expose social conflicts and develop democracy. There could not be any peaceful transition from socialism to the proletarian dictatorship, to workers' self-rule and emancipation. A bitter, violent mass struggle for working class power was required.

Seventeen years after Liberation, as the Cultural Revolution was about to erupt, Mao said China was about the same as before Liberation "except for the property system." This was an exaggeration. There was growth in mass education. There was a vastly expanded working class. There was the development of the peasant communes, which were more or less autonomous rural governments. More than anything, there was powerful social tension and rebellious feeling against the CCP's authoritarian perversion of democratic centralism, which contradicted its propagandized ideals.

THE CULTURAL REVOLUTION: LEFT REBELS AGAINST SOCIALISM

The CCP leadership was split into factions and at war with itself. By the middle of 1966, Mao, isolated in the leadership, openly encouraged student rebellion against the Party and the educational system. The result was the Cultural Revolution. It involved all social strata. It went through phases. But in the end, ten years later, the counter-revolution, those overthrown at the movement's start, reestablished their despotic power.

The workers entered the Cultural Revolution six months after the student Red Guards' agitation began. The workers' movement started in Shanghai, the most important industrial

center in the country. Independent revolutionary workers' organizations were formed. They began by overthrowing and arresting the Shanghai city Party leadership and government in January, 1967. On February 3 several million workers proclaimed the organization of the Shanghai Commune. Similar developments occurred in other industrial centers. A Commune movement promised to spread throughout the entire country.

The workers' organizations opposed bureaucratic control of the state with these demands: immediate egalitarianism;- scrapping work divisions and ending the labor market; decentralized political power; education and health policies to benefit workers and poor peasants; and improving living and working conditions. They demanded China become a "Commune-state."

To their surprise, the Communes themselves were ordered by Mao to dissolve twenty days later, on February 23. Egalitarian Leftists were forced out of the leadership of the workers' organizations by Mao's group.

For the remainder of the Cultural Revolution's course, the rebellious masses of workers and students were led by a constantly changing procession of left-centrist bureaucrats, whose politics shifted ever more rightward. All these leaders were part of the same class the masses were fighting. None differentiated themselves from the leaders and cadres of the other political currents—they all claimed to be following Mao. Even the names of the opposing groups were similar, with both rebels and conservatives alike calling themselves some variation of "Red Rebels" or "Red Guards." None ever moved to form a new party or army. Finally, Mao's whole left-centrist bureaucratic group was itself split ideologically into all the political currents found on the bourgeois left everywhere, united only in opposing the authoritarianism of their enemies.

It was a fatally flawed mass movement, but it voiced important themes and promoted alternative institutions. Among the most important of these were:

- To rely on continual class struggle as the way to transform production relations, remold people and improve the production of what people really needed. (Production actually grew between 1966-75, despite the political turmoil. Then the Right reestablished its power.)
- Worker participation in factory management. Opposition to the single-manager system of management.
- Workers' direction of schools. Establishment of worker-peasant universities. Instruction to be held in the work places (so-called "Open Door" schools).
- Rejection of capitalist and Soviet economic development models.
- Public health policies to benefit peasants (the "barefoot doctor" movement was promoted).
- Denial that science and culture could be politically neutral.

A NEW APPROACH TO PLANNING

Seeking to implement Mao's 1962 speech, the Cultural Revolutionaries promoted what they called a "dual initiative" planning system. In the Soviet planning system copied by China planning operated from the top down only. A basic unit had no right to communicate with any unit or leadership level except the one immediately above it. All were required to follow the orders they got from above.

The Cultural Revolutionaries insisted that democratic centralism should mean, as Mao had said, the concentration of correct ideas, so it had to be based on extensive democracy. In the "dual initiative" system production units got *general* guidance from a state plan, but had the right both of "horizontal" contact with other production units and with consumers, and to contact any leadership level directly. This would allow base units autonomy to adjust production to meet local needs for quantity, quality, types of products, research programs and organization of work.

The proponents of "dual initiative" agreed that overall guidance from above was needed to know what the common needs were, so as to be able to subordinate the local program to the common good. But the common good had to be understood through the vantage of direct contact and cooperation.

Applied systematically and coupled with worker management based on class struggle, such an approach would cause the state to "wither away" by making rigid planning impossible and the bureaucracies involved in such planning unnecessary. It would result in a gradual extension of workers' self-administration, until finally personal, family, group and community interests are integrated into, and realized by, the general public interest.

The Cultural Revolutionaries produced a new constitution. This constitution legalized the right of rebellion; the right of

the base to communicate directly with top leaders; the right, and duty, of all citizens to engage in public political debate; the right to strike; the right of workers to be armed; the right of workers to direct the schools, which should be open to all. This was all scrapped in 1977 by the counter-revolutionaries.

ROLE OF BOURGEOISIE

Among the Cultural Revolution groups opposed to the bureaucracy were those formed by members of the educated urban classes. These were deeply conservative. They were joined by managers hostile to workers' freedom (but eager for more independence from the bureaucrats), academics promoting "classless" culture, technologists and would-be technologists interested in higher pay for greater technical competence.

Their groups opposed egalitarianism. They supported centralized power with broader freedom for the cultured, supported high level educational systems for the elite, favored increased production and higher productivity based on rigid worker discipline, and favored higher pay for competence, as well as more scope for autonomous science and culture. These groups were forerunners of the Tienanmen demonstrators of 1989.

LESSONS FROM CULTURAL REVOLUTION'S DEFEAT

In the end, as we know, the Cultural Revolutionaries lost. In practice they denied the lessons of the proletarian dictatorship. They failed to mount an armed struggle for power. They didn't attempt to win over the army's troops, and they didn't organize their own troops. They destroyed the bureaucrats' Party but they failed to organize their own party to lead the revolution. They smashed the old state, but failed to organize a new state. They were afraid to split with the opportunists in their midst. As a result, they were not able either to exercise centralized authority or to develop democratic centralism.

That the rebellion lasted as long as it did is a testimony to the strength of communist conviction of the masses of Chinese workers and peasants. But in the end the masses were let down by these leaders, and the masses had no alternative but to become apathetic, inward-looking, individualistic, sullen and unpolitical. In this setting the Right could, and did, reassume power, and step-by-step fully restore capitalism and undo

even the gains won by Liberation in 1949. China became once again a bourgeois dictatorship, a "reactionary fascist type of dictatorship."

In 1990 the fascist-controlled Chinese press reported that in every year of the past several years over 100,000 separate incidents were reported in which peasants attacked and looted chemical fertilizer plants or ambushed trucks transporting fertilizer. Millions of peasants were involved in these attacks. The army had to be called out to guard the factories and move the trucks in convoys. Unknown numbers of peasants have been killed. This year the attacks were made again.

The reason for the attacks is that during planting season corrupt local officials cut fertilizer production to force up prices. The peasants cannot afford to pay, and cannot live without the fertilizer.

These millions are participating in "Planting Rebellions." Sixty years ago there were Autumn Harvest rebellions, in which only several hundred thousand peasants fought corrupt and oppressive landlords. At that time Mao Tse-tung organized the Autumn Harvest rebels into the nucleus of China's communist revolution. Perhaps a new group of revolutionary Chinese communists has already arisen and is integrating itself into this new rebellion.

CONCLUSION

The history of the proletarian dictatorship proves that the only way freedom and democracy for the immense majority of the people, the working people, can become a reality is to reorganize society on a classless, egalitarian basis.

It is never easy to do this, because the privileged elites of all sorts always oppose equality. Since there is never a "good" time to begin this fight, ***now*** is the best time. Since a classless society can be won only through ceaseless class struggle, communist egalitarianism should be the goal of every class struggle.

If revolutionary leaders do not convince the working people today of the need to fight for egalitarianism, who will fight for it tomorrow, when the workers have seized power? And if the workers' revolution does not act to implement egalitarianism when it seizes power, it will discover it has raised up its own gravediggers. This is proven by Soviet and Chinese history.

There is no need to convince working people of the desirability of egalitarianism. It is already the only goal they will

accept once they become class conscious and agree it is realistically possible to win the fight against class oppression.

The heroic achievements of the Soviet people—victory in the civil war, industrialization and transformation of the country, victory against the Nazis—were possible only because they thought communist egalitarianism would be the result of their efforts. The partisans in World War II fought fascist oppression in the Nazi-occupied countries. They sang of a "new, free generation" they were fighting to create. They too thought it would be the dawning of communist egalitarianism.

In every country working people want equality and freedom now. They need no stages to "prepare" them. Where they despise socialism, it is because they feel they were swindled by it, and they were: socialism is not the "first stage" of communism and there is no "peaceful transition" to communism from socialism. This is proven by Chinese history.

These are lessons the **PROGRESSIVE LABOR PARTY** has drawn from the history of the proletarian dictatorship. We call upon all class conscious, freedom-loving working people to think this over. Think about how to fight effectively for freedom and equality now for all working people. Join us in the struggle.

By B.T.

THE HIGH PRICE OF THE FREE MARKET

Has communism failed? Bourgeois pundits have made this question the center of discussion since the Soviet Union, China and Eastern Europe made major changes in their economies to introduce capitalist-style markets.

This question incorrectly presupposes that the Soviet Union and China are communist societies. In fact, the working class lost political power to a new bourgeoisie and capitalism was restored in these countries during the 1950s and 1960s. The "economic reforms" now being carried out in these societies are extensions of capitalism, not a break with communism.

What is on trial, then, is not communism, but capitalism restored to countries once ruled by the working class.

In this article we consider the market mechanism so lauded by the capitalist chorus, first in terms of its historical origin in the rise of capitalism, then as an abstracted economic idea much romanticized by bourgeois economists, and finally as it was improperly retained and/or revived in worker-run societies with devastating results for proletarian power. We next look at the meaning and purposes of perestroika (the reforms proposed by Gorbachev for the Soviet Union) and the parallel Chinese reforms. We then address the issue of whether true communist relations are possible.

THE RESTORATION OF CAPITALISM

In the Soviet Union, many working class party cadre were purged in the inner party struggle following Stalin's death in 1953. They were generally replaced by capitalistically-oriented technocrats, bureaucrats, and factory managers who swiftly began to attack previous policies by attacking Stalin, and who then began to promote capitalist policies in economic life.

The rapid political change in the 1950s was the qualitative turning point back to capitalism; it was the culmination of decades of quantitative errors in the process of moving from capitalism to communism, errors that undermined the development of communist morality and relationships in the Soviet Union. This in turn led to a reinstitution of more-or-less open capitalist relationships and processes there.

Today's market-oriented changes in the Soviet Union and the old Soviet bloc are changes in the form of capitalism in these countries, not major turning points in the mode of production in those societies. They do not constitute evidence that communist economic organization inevitably fails, since communism was not properly established in these societies in the first place. Moreover, even the left-wing initiatives that had some promise have long been abandoned in these societies. Instead, the implementation of market reforms reflects the contradictions of state-capitalism (an essentially capitalistic system of exploitation in which the capitalist exploiters operate directly through the state apparatus rather than primarily in private markets) that grew out of the socialist experiments in those countries.

Although the capitalist roaders captured state power rather

swiftly, the thoroughgoing, all-around restoration of capitalist economic relatons did not happen quickly. While the political defeat of the working class marks the change from the state being a workers' state to a bourgeois state, many gains won under the dictatorship of the proletariat remained in place. These remnants and shells of workers' power have impeded the economic growth of state capitalism in the Soviet Union. These remains must be swept away to develop profitable and (at least temporarily) more productive capitalist societies.

THE MARKET: INTRODUCTION

The *perestroika* (restructuring) changes in the Soviet Union have been accompanied by much talk about how markets supposedly bring about efficiency in the production of goods and services. The usual bourgeois argument is that communist or socialist countries have, through central planning of production and automatic entitlements for workers, thwarted the "natural" market processes of maximizing profits (for firms) and maximizing individual pleasure derived from consuming goods and services. The "unnatural" planning process prevents resources from being allocated to where they are genuinely desired by the population and hinders technical efficiency (i.e., it strips workers and firms of incentives and so reduces productivity).

It follows from this bourgeois argument (today wholly endorsed by Gorbachev) that economic stagnation in countries with central planning can only be overcome through changes that implant the market at the center of all economic activity.

The market is the central social adjustment mechanism of the capitalist system, so calls for market-oriented changes are calls for elements (if not the entire system) of capitalism. Before examining specific market-oriented changes proposed and/or tried in these societies, it is important to understand what the market is in its historical context.

THE MARKET IN HISTORY

A market exists whenever a good or service is exchanged for money (or a money-commodity, as in routinized barter arrangements).

For most of history, markets were not well-developed; there were few buyers and sellers of goods, services, and resources, little communication geographically, and a limited array of

goods and services for sale. In tribal, slave, and feudal societies, economic production was mainly for use, not for exchange in a market. Luxuries or scarce necessities constituted the bulk of market goods, and only a small fraction of the population participated extensively in trading.

This began to change with the evolution of capitalist activity within the feudal order. A new class of exploiters — the capitalists — emerged and came to exercise economic and ultimately political power. The dominance of capitalism and the end of feudalism was marked in England by the fall of Charles II in 1688, and in France by the fall of the artistocracy in 1789. With capitalism, networks of markets for goods and services became the norm.

THE LABOR MARKET

The market for human labor is perhaps the most important characteristic of modern capitalism. As long as capitalist firms were family operations, they merely reproduced themselves at the same scale, and little social change occurred. Such small capitalists produced for the market, specializing in a particular line of production, but they extracted no "surplus-value" from the members of the firm, did not accumulate large sums of capital, and hence did not disturb the broader social organization within which they played a rather small part. But the development of a market for human labor-power was a new stage of production relations between direct producers (workers) and managers (the capitalist bosses).

The labor market is a relatively new thing in the world, having existed as the dominant form of exploiting labor for only 200 years or so. Other ways of exploiting labor include slavery and serfdom where workers were bound to their masters or lords in various institutional ways. In such cases, the master either provided the necessities of life directly for the worker, or allowed the worker to keep just enough of his independently produced products to survive.

In a labor market, workers have the illusion of freedom, since they are not bound to the capitalist; they can quit any time. Of course, they are bound to the capitalist system, since in order to survive they still must eat, and to obtain money they have to sell their labor-power to some capitalist. But capitalism provides a measure of choice for the worker, unlike slavery and feudalism where personal bondage is the rule.

THE EVOLUTION OF THE MARKET SYSTEM

The market system developed rather fully in the 18th and 19th centuries, principaly in Great Britain and some other European countries. Of course, markets existed long before then. From feudal times, merchants from far and wide set up "fairs" every year at certain locations to trade their goods for money and/or other goods.

But the industrial revolution allowed for the wholesale transformation of society from feudalism to capitalism. People were physically driven off the land in England and forced to become wage-laborers for the emerging capitalists (a process known as the "enclosure" movement).

The wage system became the dominent way bosses exploit workers only 200 years ago

With their initial accumulation of wealth often gained through the slave trade and piracy, the new capitalists continued to grow through the exploitation of the former peasants whose labor-power was exchanged "freely" on the emerging urban labor markets. These laborers were doubly free: they were (ironically) free of property since any land, farm animals, structures, or tools they might have had was forcibly expropriated from them during the enclosure movement; and they were free to sell their labor-power to whomever they chose (i.e., they were no longer bound to perform services for a feudal lord). The second kind of freedom was hollow; competition among workers dictated subsistence wages for the great majority toiling in coal mines and textile mills, and even skilled workers did little better.

So the dawning of the modern labor market was a step from one hell into another, not a movement toward freedom, for the masses of workers in the world. The ruthless pursuit of profit by capitalists meant crushing the labor force to subsistence and often below; the tales of 19th century capitalism are filled with woe. But the 20th century tales are scarcely better.

The working class, fighting vigorously against such conditions, established labor and political movements and revolutionary parties to lead in their struggle against capitalism and have in certain parts of the

world won a certain measure of protection (the 8 hour day, the minimum wage, pension plans, etc.) at the same time that competition has forced capitalism to ever higher levels of productivity.

But today's capitalist world is still one of disease, hunger, unemployment, war, racism, and misery, despite these pockets of reform. Insecurity about the future is the rule even in the best of situations. Protective reforms won in one decade are taken back in the next, while advances in one geographical area are cancelled by deterioration in another.

But the "reformers" in the once-socialist lands are a different type of reformer. They are not concerned with protecting workers from the effects of profit maximization. Instead, they are trying to protect maximum profits from the workers.

HOW MARKETS ARE SUPPOSED TO WORK

Despite its sordid history, the market continues to be idealized by bourgeois social scientists. How do they imagine this mechanism is supposed to function? What is the myth of the market? Here is how the bourgeois apologists tell the tale.

A competitive market in a commodity exists when there are many independent sellers trying to sell the commodity to many independent buyers. The buyers try to get the lowest price and the sellers try to get the highest price. Buyers won't patronize a seller whose price is higher than another seller's, so competition leads each producer to try to cut the costs of producing the commodity so as to undersell their competitors and still make a profit.

The *lash of the market* —if you don't improve your production process, you can't sell your output and so you go out of business —is thought by bourgeois social scientists to be the crucial social tool that stimulates innovation, hard work, enterprise, and careful attention to efficiency and waste-prevention.

Labor markets have many similarities to product markets. In the labor market workers (including unemployed workers) compete against each other for jobs. They are the "sellers" who must reduce their prices to compete. These "prices" are of course the workers' wages. Wages thus tend to fall to subsistence levels (and sometimes below), the actual level depending on how "subsistence" is understood in a given country. The "buyer" in this market, the

capitalist, thus pays a price — the competitively lowered wages — not only much lower than the equivalent of what the workers produce, but actually unrelated to that production. The wage level is determined by what it costs society to produce a worker, and not by what the worker produces.

The great mystery in the market system, as pointed out by Adam Smith, is that individual satisfaction (i.e., high profits for firm-owners, high income for individual workers) is the driving

force in a market system, but the end result is supposedly the best attainable world in terms of the allocation of resources to competing uses and their efficient use in production. Everyone acts selfishly to try to maximize his income or profits, and behind all of their backs, the impersonal competitive market mechanism of supply and demand adjusts the levels of production in each industry, and the technology used in each industry, to the socially optimal level. This process is quite different from the conscious planning of feudal lords and even more so from the scientific social planning in communism. Instead of human planning, the market determines all.

Some best attainable world! If a firm produces something that is socially beneficial, but workers don't have enough money to buy it and bosses don't want it (say, solar power or affordable apartments), that firm will go out of business. The opposite is also true: if a firm produces something of particular value to the bourgeoisie (say, yachts or cocaine) it will thrive even though it is producing something that is of little (or even negative) social benefit.

The market is also said to guarantee that if a firm is not producing efficiently compared to other firms, it will be driven out of business through competition. But this process primarily guarantees the lowest possible wages. In the unlikely event that a boss wanted to treat his workers well by reducing the work load or increasing wages, the market would dictate that the business was uncompetitive and force the firm into bankruptcy. In general, if capitalists manage their enterprises carelessly and incur greater costs than their competitors by paying too much for raw materials or labor, by overbuying and wasting materials, or by using outmoded machinery in the production process, they will be unable to compete in terms of price, will lose their share of the

market, and ultimately be forced into bankruptcy. This lash of competition is thus thought to guarantee efficiency, but it comes down directly on the workers, as the capitalist is compelled to press the workers for every ounce of their productive energy to remain in business.

SHOEMAKERS WHO CAN'T AFFORD SHOES

One of the benefits of the competitive process is said to be its ability to improve the quality of life of all consumers (including workers) by guaranteeing high quality, least-cost commodities for their purchase.

Ironically, however, most workers are unable to take advantage of such benefits because the competitive process first guarantees that they receive low wages that in turn prevent them from getting the very products that they have produced!

The competitive system, moreover, leads to concentration and centralization of capital — and the end of competition. Adam Smith noted the irony that capitalists and workers, all caught up in the market system, all try to evade the discipline of the marketplace through employers' and workers' combinations. Smith pointed out that the capitalists are better at this than workers because their wealth and small numbers relative to the workers' facilitates effective combination.

Proponents of market economies generally oppose both monopolies (where a single firm produces all of the goods of a particular kind) and labor unions (which prevent individuals from competing down wages and working conditions). Since a monopolized firm is the only seller of goods in an industry, it can charge a price above that justified by its cost of production, and it also has little incentive to make technological innovations.

Monopolies lead to stagnation, overpriced goods, and misallocation of resources. Labor unions, in the free market view, act similarly.

If workers stick together in a firm, they could all be less "productive" (e.g., process fewer units of a product) and prevent the boss from firing them or speeding them up.

While market proponents in principle oppose both labor unions and monopolies, in practice they generally focus on unions.

FREE COMPETITION ALWAYS ENDS UP AS MONOPOLY

But the key point is that the market system tends dynamically toward self-negation as monopolization and labor unions emerge steadily (and logically) out of the process of capital accumulation, killing the vain hopes of the free marketeers of ever achieving a state of blissful perfect competition where unimpeded markets lead to the best of all possible economic worlds.

Advocates of the market system promote competition among individuals (workers as well as capitalists) for personal gain as the sinews of a technically efficient economy. They recognize that the market system necessarily leads to inequalities, as those that perform the best are (in principle) rewarded and those who perform the worst are punished. More to the point, those with greater resources (like capitalists who inherit factories) also receive more income than those with less. The argument over the use of market tools in a socialist economy is therefore over the presumed efficient inequality of capitalism (with markets) and the inefficient equality of socialism (with central planning).

Capitalist inequality is justified by free market supporters as a democratic (or at least meritocratic) outcome of fair, neutral interactions among people who are for whatever reason unequal. In this view impersonally functioning market systems are bold social advances in human history that abolished the personal control held by an elite over the masses such as in slavery and feudalism, or, in what Gorbachev called the "command economy" and the market supposedly works as a kind of machine to produce a prosperous, progressive economy.

The truth is otherwise. The development of a labor market means that there must be at least two classes of people with fundamentally different positions in society: owners of productive property (the bourgeoisie) and owners only of labor-power (the working class). With these classes in place, the labor market then acts primarily to guarantee that the working class will be successfully exploited by the capitalist class, since workers competing with each other for jobs will serve to keep wages at a very low level. The market is thus not neutral among groups of people, but works to reinforce certain key class divisions in society.

Most people can never successfully become capitalists, although many try to do so, from the street vendor who aspires to own a corner store to the worker who tries, in his spare time, to start a recording business, a tennis-racket stringing service, or even (shudder) an AMWAY distributorship. Most of these efforts never get off the ground regardless of how clever the individual may be because it takes money to buy the equipment and hire the workers before you can hope to start pulling in profits. So it helps to be born with lots of money, like Donald Trump, who can then appear to be brilliant. He's not brilliant; he was simply born rich and went on from there.

THE MARKET IN SOCIALISM

The goal of communism is an egalitarian and collectively run society, with the working class consciously planning and enthusiastically carrying out productive activity. Economic operations of a communist society—those dealing with production and distribution of goods and services—are therefore of immense concern. The long-run goal of communist revolutions has always been the abolition of market operations in the economy or in Marxist parlance, the abolition of the "operation of the law of value" and its replacement with a collective, consciously determined social plan of production and distribution.

In the socialist wage system workers were paid according to different pay scales and rewarded with bonuses. In short, a labor market very similar to capitalism.

The law of value is central to capitalism. It means that commodities (all goods and services) are produced for the market where they are expected to sell at their value, i.e., at a price directly related to the number of hours of labor-time embodied in them.

The law of value operates with a vengeance in the labor market in capitalist economies. **Workers are paid not the value of what they produce, but the value it takes to get them ready to work for the next day, i.e., the necessities of life at a particular historical point.** (This is the value it takes to "produce" a worker capable of working for a day, the same as the value for any commodity). In fact the operation of the law of value in capitalist economies is the basis for exploitation. Capitalists get to **keep all** of the value produced by the workers (they sell the products and receive the revenues), and **pay only a certain percentage** of this amount for wages. They only pay to keep the workers alive, not to compensate them for the labor-time they expend in the production process itself.

One of the main achievements in the economic life of the Soviet revolution was that capitalism's haphazard determination of what to produce (the anarchy of capitalism) was overcome in large measure by central planning of economic production. In many cases, decisions about what to produce were made based on assessment of the needs of the working class, not on expected profit rates from production in a particular line of economic activity.

However, market relations (and hence the capitalist law of value) were retained in many areas even though all revolutionary leaders saw such retentions as backward aspects of their new society. The labor market in particular remained in operation. Workers were still paid wages and this rapidly devolved into a competitive system of individual wage and bonus payments, with major differentials emerging among workers.

Lenin originally argued in *The State and Revolution* that during the first or lower phase of communism (i.e., socialism), workers would work the same length of time and would be issued a certificate documenting the hours of work. These certificates, a form of money, could then be taken to the public storehouse and exchanged for commodities.

This relatively equal distribution system still embodied the continuation of the wage-system (i.e., the law of value in the labor market) and rapidly gave way to different workers being compensated at different levels based on the scarcity of their skills, their productivity, or their length of time at work — in short, a labor market very similar to capitalism. Marx had argued that the early stage of communism (i.e., socialism) would require the continuation of the wage system because of the backward consciousness of the working class. Only unequal wage payments would induce appropriate work effort, at least until workers gained a higher consciousness about the need to work collectively for the good of the entire world's work-

ing class, or until full abundance had been achieved. And the Soviets certainly followed this advice.

However, the law of value was not allowed to work unimpeded throughout the economy. For instance, the price of basic foodstuffs was greatly reduced relative to the amount of labor-time embodied in them. Moreover, many services, such as medical care and education, were distributed free. This setting of prices according to social priorities was a step toward abolishing the market.

Many social forces in the Soviet Union nevertheless would have benefited from an untrammeled law of value. Thus, Bukharin, representing one such force, the richer peasants, called in the 1920s for allowing peasants to get rich, for allowing them to charge what the market would bear rather than enforcing lower state-determined prices. While this policy existed only a short time in full force, the battle over its premises raged for decades. In Stalin's last work, *Economic Problems of Socialism in the USSR, (1952)* he railed against this trend, calling for further communization of landed property in order to reduce the scope of operation of the law of value. He argued that the measure of the triumph of socialism was the extent to which the operation of the law of value ended; spheres where it continued to operate ensured historically primitive relations which were ultimately inconsistent with the communist future.

But Stalin was not especially consistent on this point either. He, like the other Bolsheviks, agreed that the primary goal of the first stage of the revolution was increasing production, and so he frequently urged his "business managers" to use wage differentials and bonuses as methods for stabilizing the work force in an enterprise, providing ladders of material advancements for workers in a particular enterprise, and holding skilled workers in positions where they were most needed. For instance, in a major speech in 1931, Stalin forcefully opposed "equalitarians" in enterprise managements and trade unions, stating:

> . . .we must abolish wage equalisation and discard the old wage scales. . . [W]age scales . . . will take into account the difference between skilled and unskilled labour, between heavy and light work. We cannot tolerate a situation where a rolling-mill worker in the iron and steel industry earns no more than a sweeper. We cannot tolerate a situation where a locomotive driver earns only as much as a copying clerk . . . [U]nder socialism, 'wages' must be paid according to work performed and not according to needs. (*New Conditions, New Tasks*)

Stalin's position favoring differential wages is more stratifying than Lenin's view, mentioned above, in *State and Revolution* that each worker should simply receive a certificate for the number of hours worked. Both positions continue an individualistic wage system with its attendant evils. And indeed, during the 1930s, wage differentials and production-related bonuses became the rule as central planning adopted more market-related targets for each branch of production and ever-greater emphasis on material rewards for managers and workers in meeting these targets.

To succeed with central planning the working class must support the collective goals. The Soviets neglected this struggle for political consciousness, relying instead on the wage system. So planning was never very effective.

The Soviet revolution did not move fully to abolish the law of value even when it recognized the backward character of sectors where it operated. The alternative, in the view of the Soviet revolutionaries, was a fully planned economy, with conscious decisions made by the ruling working class about social priorities, with the technical role of the planners limited to statements about what inputs were required for which outputs and what limits there were to the mix of these outputs given current resource, machinery, and labor constraints.

To succeed in such an endeavor, the working class must be won politically to wholeheartedly supporting such a collective goal. The communica- tion of full information in a very large and complex economy is virtually impossible, so external accountability is relatively easy to evade. Accountability must instead be internalized by the workers and production leaders to be successful, and this can only occur if there is extensive political struggle led by revolutionary communists so that the workers actually control, and *feel they control,* their society and its institutions.

This was where the Soviets faltered, for in their quest for rapid productivity gains, they were willing to extend the realm of capitalist-style market incentives, rather than wage the protracted struggle to advance the political consciousness and control of the entire working class. *The political dimension of central planning was never developed extensively, so its mechanisms never achieved the level of effectiveness that are possible in principle.*

Instead, despite the explicit long-run goal of abolishing the market, the operation of the law of value, and social inequalities, in practice communists used such capitalist factors regularly and intensively to bring about success in what they considered the first task of the revolution—increasing production.

But these capitalist techniques are not just ad hoc, temporary measures. Established systematically, they reinforce individualistic capitalist thinking, and undermine sovereignty of the working class in the production process. They give rise to economic stratification of the population, and the relatively well-to-do develop a set of interests hostile to those of the general population.

And this emerging privileged class is not just left-over capitalists (like those of Lenin's New Economic Plan of 1921) but the managers of enterprises and party members, the leading political forces in society. Thus, socialism's multiple concessions to capitalist economic practices leads back to capitalism precisely because of the market and its capacity to create material differences among people and simultaneously induce individualism and personal greed in the consciousness of people.

PERESTROIKA

Perestroika is the latest in a long series of efforts to make the state-capitalist economy of the Soviet Union more productive. Although it has attracted a great deal of press attention, perestroika is not really that new; similar (although less extensive) reforms were advanced under the leadership of Khrushchev, Brezhnev and Andropov.

Why have market-oriented reform movements characterized recent Soviet history, and why have they encountered only partial success in reshaping the Soviet economy? Because once a new capitalist class has taken power, the working class no longer has an interest in creative and enthusiastic work effort because society is no longer being shaped in line with its decisions and interests.

This alienation of the working class leads to productivity losses as workers resist their exploitation through day-to-day acts such as shirking, slowdowns, absenteeism, low attention to quality, etc. "Solving" these productivity problems is difficult for the new state capitalists; the usual "stick" of threatened unemployment doesn't work because the revolution established the principle of job security and created a wide range of entitlements that workers still receive. Taking these back is tough, as previous Soviet administrations found, but perestroika may succeed where these failed.

What Marx called the *fetishism of commodities* was overcome partially with socialism's central planning. But with state capitalism commodity fetishism returns with a vengeance and destroys the collective enthusiasm of the working class.

(This "fetishism" is the way market relations hide the fact that world economic activity actually reflects the unity of humanity in producing and distributing the means of life. Market activity instead makes each activity look separate. This makes people somewhat narrow-minded in their understanding of their own activity in production.)

The state capitalists may try nationalist motivation (or even moral persuasion) to raise production, but since workers sense that they don't hold power, such hypocritical appeals fall on deaf ears. Gorbachev tried this moral persuasion early in his Glasnost appeals, making speeches all around the Soviet Union appealing to socialist morality and reviving the anti-alcohol campaign started by Andropov. He quickly gave up on that and turned to perestroika

. On the management side, it is hard to continue with central planning since the ministries of production no longer reflect consensus and cooperation about what society needs to produce. Instead they have become competing capitalistic profit centers. Restructuring is therefore needed for them as well. Unleashing market forces — both positive and negative incentives for workers and for managers — is perestroika's strategy for completing the transition back to capitalist exploitation.

The carrots of individual material incentives only work if consumer products are available for workers to buy. This has not been the case in the Soviet Union so that most Soviet workers have substantial bank accounts at this point because of

"forced savings". Thus, one of the policies of perestroika is to beef up the consumer goods industries in terms of quality and quantity to make "carrot" incentives possible.

This is being done through allowing private cooperatives to be established. These cooperatives are really corporations run on the basis of profit-maximizing for their entrepreneurs. They are running restaurants, producing consumer goods, and providing other services the same way companies do in the USA.

Perestroika therefore relies on the free market to provide the "carrots" for the working class so that bonuses and other individual material incentives can be effective. These cooperatives will undoubtedly be supplemented with new foreign investment; German washing machine factories may soon appear in Leningrad.

Perestroika also includes the negative side of individual incentives: firing workers if they do not work hard. Gorbachev proposes expanding management prerogatives at the enterprise level to include major new justifications for firing workers in the name of "productivity enhancement". Thus, perestroika combines sticks with carrots for more thorough capitalistic control of the alientated working class of the Soviet Union.

A parallel consideration applies to management. Under state capitalist planning, the ministers and firm directors are interested in maximizing their income and power via whatever incentive mechanisms are in place. Is the goal simply a number of units? Then make plenty of (shoddy) units. Is the goal simply a certain number of tons of nails? Then make one 20-ton nail.

Given a planned goal, but without a political committment to the working class, no production plan has much of a chance of meeting the real social needs of the people. Since managers are seeking profits instead of ways to meet the needs of the people, introducing the lash of the market makes management responsive to the demands of those buying the products.

Soviet economic reform movements have often involved decreasing the power of top ministry bosses in one way or another. Such a loss of power or money by ministry bureaucrats is always resisted. A good example was with the Andropov reforms. Each of the industrial ministries was charged with developing a set of non- binding

goals for the enterprises in its industry, and then allowing the final production decisions to be made at a lower level of organization. Instead of doing this, the ministries made the goals mandatory by making certain bonuses and allocations conditional on meeting them. This was contrary to the spirit of the reforms, but advantageous to the political and economic power of the ministry-level officials. Most reforms, therefore, never got fully implemented.

The debates and conflicts over economic reform in the Soviet Union have really been over the best way to establish capitalism, not over whether the capitalist or communist path is better. The leading bureaucrats in the economic ministries (what the West calls conservatives) are highly privileged and powerful elements of the new bourgeois class. Their economic gains and political position stem from their authority over the industrial apparatus of the country. Among the 50 economic ministries there is much competition over access to investment funds and material allocations.

Bureaucratic maneuvering for access to the investment funds for expansion differs somewhat from competition in capital markets in openly capitalist societies, but only somewhat. For decades, sales and profit levels in the enterprises under a ministry's control have been tools used in the bureaucratic maneuvering, in much the same way that USA corporations maneuver to gain loans from commercial banks or sell new stock. Thus, extracting maximum profit is a vital motivating force for production in each ministry, just as it is under capitalism.

Other criteria have been used over the years by central planners to evaluate enterprises and sectors, but each ministry attempts to meet these goals in order to accumulate more capital for itself. In many cases, ministries have become very diversified, often producing the same thing as other ministries in a kind of conglomerate corporation in pursuit of greater economic empires within the Soviet Union. Despite the appearance of centralism, the incentive system is markedly capitalistic.

Although in competition with each other, the ministries have a common interest in maintaining their relatively centralized control of every possible aspect of productive activity. Other strata of the new-bourgeois class, including local and regional enterprise directors and bureaucrats (who chafe under the controls and pressures from

the central ministries) would like more freedom to carry out market activities at their level (enterprise, enterprise group, or geographical region) in order to increase their own profits.

These bourgeois forces would like to see the central economic authority weakened in many different ways so they can become richer and more powerful themselves. They are joined in this objective by elements of the military establishment and by certain leading elements of the Communist Party who want to energize the economy by unleashing more competition and market rewards and punishments.

So the current fight between traditional bureaucrats in central ministries and the self-described populist forces behind perestroika who favor relaxing central control of the economy is really just a battle among various capitalist groups over who is going to be top dog. Gorbachev wants a competitive capitalist environment in which to exploit workers, while the traditional ministers would prefer, in pursuit of capital accumulation for their spheres of interest, to plod along under the official and direct coercion of the ministry system in their exploitation of the workers. Gorbachev seems to have succeeded in rallying the bulk of the party leaders and state capitalists behind his perestroika banner, so his economic reforms may well overcome the ministerial resistence.

Bear in mind that the working class has no interest in the outcome of this battle: traditional bureaucrats in the ministries and perestroika advocates alike are capitalists. They are fighting over which way to exploit workers most effectively and over which group of capitalists is going to get the profit, not over which class will rule society. Workers have nothing to gain from either side of these conflicts among capitalists.

ANALYZING PERESTROIKA

Perestroika, while still not fully defined, involves several specific changes that can be analyzed.

Enterprises will be given much greater autonomy than ever before and allowed to "sink or swim". They will be required to finance themselves and not rely on the ministry for investment funds or operating costs. This requirement means that they will have to achieve sales levels that will pay for all inputs (including wage payments to workers) and also provide surplus funds for additional investment.

Enterprises that meet financial eligibility requirements will have access to credit from banks established for each sector of economy. These are genuine loans, fully repayable with interest, rather than disguised subsidies. If a firm loses money, it will go out of business and its workers will be laid off.

SOVIET ENTERPRISES WILL RESEMBLE U. S. COMPANIES

With these changes Soviet enterprises become very similar to USA corporations. They will enter the labor and resource markets to obtain inputs and enter product markets to sell their goods. They will need to minimize costs, especially for labor, and maximize sales to compete with other enterprises. Their product line will vary with market signals. Such firms are, like their US counterparts, both vulnerable to bankruptcy and capable of making large profits.

LAYOFFS

If Gorbachev has his way, the traditional reliance on the ministries to bail out suffering enterprises will end and many enterprises will go out of business while others will carry out extensive layoffs to reduce labor costs. Soviet reformers agree that *substantial* unemployment will result from perestroika, at least for a time, since previous (more limited) market reform efforts produced some. Observers of capitalism know that a market-based system inevitably generates substantial, permanent levels of unemployment that keep wages (labor costs) low to guarantee substantial profits. A capitalistically restructured Soviet economy will do the same.

BE YOUR OWN BOSS...

Perestroika involves workers electing enterprise management boards where they work. This is very similar to the "worker self-management" system implemented in Yugoslavia when Tito broke with the international communist movement shortly after World War II. The Yugoslav experience demonstrated that stratification between management and workers developed swiftly in a system based on market incentives, and the "worker self-management" boards soon resorted to cuts in wages, reductions in the labor force, and other capitalist steps. They were functioning in a market economy and "had to" to maintain their profits and market share. Yugoslavia, long the darling of the West, with substantial financial links to western capitalism, has also long been bankrupt.

...FIRE YOURSELF

Perestroika also calls for groups of workers in each department of the enterprise to form self-managing "brigades". These contract with each other for levels and schedules of "sales and deliveries" of intermediate products (for instance, the drive train department negotiates prices and schedules of deliveries it will make to the chassis department) for each stage in the production process within the firm. This system is directly borrowed from the Volvo reforms in capitalistic Sweden in the 1970s. Each brigade is to elect its own management, which in turn develops a compensation plan featuring bonuses, overtime pay, and incentive awards to motivate, individually and materially, each worker in the brigade. Most importantly, this reform includes the right to hire and fire workers, including layoffs if less production is deemed advisable. Thus, workers under perestroika will be given individual carrots (the bonuses) and swatted with individual sticks (firings) by brigades and enterprises that operate internally and externally as a market institution.

RAISING PRICES

To develop a full market system, the price system of the Soviet Union needs to be substantially revised. Many prices today represent either the remnants of decisions to keep the prices of necessities and very important capital goods low for political reasons, or the outcome of inter-ministerial bureaucratic battles for their respective empires. (If prices of goods in "your" ministry can be set high and that of your inputs from other ministries low, your profits and bonuses will be higher). Of course, the extent that market prices are seen as indicators of what society wants and doesn't want, such politically motivated pricing systems fail to properly reward winners and punish losers in the economic battle of all against all. But price reform has been the hardest reform of all to introduce. The 1979 reforms did include some revision of prices, but in general a complete overhaul of the price system would come up against heavy opposition. Some ministries would lose (often the most powerful ministries, since they have "won" on pricing policy in the past) and, more importantly, workers will lose, as they would see the purchasing power of their wages fall dramatically, as the last subsidies for workers' necessities are removed. Thus, price reform has been postponed in the current phase of perestroika.

However, in Poland price reform has recently been carried out by the officially anti-communist government; the price of gasoline and bus fares doubled, heating oil and electricity quadrupled in cost, and the price of coal increased by 600 percent. The *Associated Press* reported on these price rises January 2, 1990:

> In announcing the start of the program—which is supported by the World Bank and Western governments — Finance Minister Leszek Balcerowicz acknowledged it would mean hardship from many Poles in the coming months, but he stressed that the measures were needed to halt Poland's 900 percent inflation rate and end its economic slide.
>
> Earlier price increases in Poland led to worker rebellions and strikes. Implementing such price "reform" in the Soviet Union, where the industrial workers led by the coal miners have shown a determined militancy in recent months, remains a daunting, dangerous action for a political leader.

Gorbachev seeks to strengthen the autonomy of the enterprises by consolidating ministries into a small number of ministerial groups, which will therefore have much less to say about the operations of specific enterprises. This structure does not differ greatly from the USA's system, with its occasional regulation of economic activity in order to maintain the larger interests of stability of the capitalist system.

Finally, Gorbachev's perestroika is trying to integrate the Soviet economy with the West through joint investment ventures in the USSR with corporations based in Germany and the USA, allowing export of profits. There is serious consideration to making the ruble convertible by backing it with Soviet gold or through devaluation. This is the opposite of communism's uncompromising global hostility to capitalism, and further evidence that the "new thinking" and "restructuring" in the Soviet economy is merely *capitalist thinking about profit structures!* The most likely outcome of this aspect of perestroika is a strong economically-based alliance between an effectively reunified Germany and the Soviet Union that will challenge US economic power throughout the globe—but not in the interests of the world's workers.

THE BALANCE SHEET ON PERESTROIKA

In conclusion, perestroika sets out to solve the productivity problem that has faced the Soviet bourgeoisie since the 1950s. It does this by establishing market structures within enter-

prises, between enterprises, between enterprises and consumers, between enterprises and workers, and between the Soviet economy and the rest of the industrialized, capitalist world.

This has nothing in common with the communist goal of moving toward a classless society. Indeed it will deepen the Soviet Union's already substantial class stratification, as well as contribute to growing unemployment. It will worsen the working conditions of workers, and strengthen racist divisions in the population. Perestroika may increase productivity for a time, but the laws of capitalist accumulation will assert themselves, and the Soviets will face the usual problem of mature capitalist countries, i.e., the need for investment outlets as domestic markets mature and internal rates of profit begin to fall. The current internal pressure for Soviet foreign investment and imperialist aggression will intensify, and the world will face even greater pressures for a war of re-division among the imperialists.

This process will proceed even more rapidly if the emerging alliance between German and Soviet capitalism becomes consolidated in the next few years. And so war will become more likely as a result of Gorbachev's vigorous, openly capitalistic program of economic reform.

CHINA SINCE 1978

China's restoration of capitalism was more flagrant than the Soviet Union. Here we consider developments in the last dozen years or so. The "Four Modernizations" (for agriculture, industry, national defense, and science and technology) advanced by the Chinese leadership in 1978 represents the full ideological triumph of the "Theory of Productive Forces," the notion that socialist development is primarily a period of time in which the revolutionary society increases levels of output.

This notion holds that the first stage of communism can be filled with capitalist practices so that the society can create abundance. This abundance, in turn, is the foundation for the higher stage of communism with full egalitarianism, collectivity and distribution according to need.

But as we have observed, if communist politics are considered of secondary importance relative to productivity advances, the new rising leadership will be fundamentally capitalistic and will restore capitalism. Today, China's leadership explicitly says it is using capitalism to build socialism!

The revolutionary Left in China fought specifically against the Theory of Productive Forces during the Great Leap Forward and the early phase of the Cultural Revolution, only to be crushed by the final capitulation of Mao and the (later-named) Gang of Four to the opportunist trend in 1968. Since then, Chinese political struggles have primarily represented battles over the best method for pursuing the capitalist dream of high profits and productivity. The conflicting capitalist-road strategies have been state planning versus competition domestically, and alliance with the Soviet Union versus with the U.S. in foreign policy. None of this advances society towards communism.

LANDLORDISM AGAIN IN THE COUNTRYSIDE

What are some of the effects of the Four Modernizations? The most obvious effects have been in the rural areas, where 80 percent of China's people live. The Rural Peoples' Communes were destroyed long ago, and *the virtually complete de-collectivization of agriculture was accomplished* with the "household responsibility" system implemented in 1979.

In this system, each household takes a portion of the "collective" fields and agrees to a contract to meet state quotas. Once these quotas are met, the rest of the agricultural produce can be sold in a free market.

This household responsibility system was consolidated in 1984 when, in response to the demands of rich peasants, the length of the contracts was extended to 15 years from 2-3 years. The longer contract period was implemented explicitly to guarantee long term profits as an incentive to invest in the land held by the household.

Worse, on top of the petit-bourgeois household responsibility system, 15 percent of the agricultural land is now in private plots, compared to almost none during the Great Leap Forward and 5-7 percent during the 1960s. Private farmers also have the right to hire other peasants as workers, allowing full capitalism to function in much of the agricultural sector.

HELPING THE RICH GET RICHER...

Aiding this process of rural capitalism, in 1984 the state allowed the first major increase since 1972 in state prices of agricultural products. This added to the incentives to the richer peasants to cultivate their own

plots for private profit and to hire additional workers to work those lands. New rural credit banks have been established to foster individual investments in private plots as well. The logical outcome of these government policies has been the restratification of the rural sector. Some rich peasants now make over 10,000 Yuan per year, which is 25 times the national average. More importantly, the government hails these developments, rather than deploring them as contrary to communist principles. Former party Secretary General Hu Yaobang said, "After the peasants become rich, we must guide them to invest... in development projects in the countryside." Deng himself wrote, in an echo of Reaganist trickle-down theory, "[it is now correct] to make some people rich first so as to lead all the people to wealth."

...AND THE POOR GET POORER

However, reality is otherwise: the rich get rich because the poor get poorer. So it is in the new Bukharinite China. Almost 100 million out of 800 million Chinese peasants are now considered the "rural surplus population." Many of these displaced, unemployed, impoverished peasants now make their way to cities, where they form a growing class of unemployed urban dwellers.

RESTORING CAPITALISM IN INDUSTRY

In industry, there has been a slower pace of "modernization", but nevertheless many new institutional processes have been put in place.

Bonuses and material incentives, the abolition of which was the hallmark of the Cultural Revolution, have long since been put back in place. Since 1979, individual state firms have been allowed to retain a substantial portion of their "earned" profits and use them for whatever they please, which can include bonuses for managers and workers, investments desired by the management, etc. This echo of the Soviet capitalist restoration in industry is having the same effect in China that it did in the Soviet Union; it leads management to put even more emphasis on maximizing profit for the firm, with no consideration for the health and welfare of the firm's workers and no coordination with other industries to produce what is needed for the workers' consumption in society as a whole.

Firms are now using newly-legalized billboards for advertising to create consumer "needs" for their products, just like Madison Avenue. One firm in Beijing is reported to have 30 marketing executives.

These flagrant capitalist activities merely reflect the much more serious effects of the restoration of capitalism on workers. Echoing Soviet experience, factories are being closed down and workers laid off in the name of efficiency. No longer is commitment to communism and its principles important in the workplace. Only productivity, skills, and hours worked are rewarded there. Managers and communist party officials alike scoff at ideological and social justice concerns.

IMPERIALIST CAPITAL INVASION

These internal developments are supplemented by the well-known openings to foreign investments in oil, coal, and other natural resource expoitation, and hundreds of untrammeled foreign capitalist operations in the Special Enterprise Zones (SEZ). All of this is appropriately summarized by the comment made by Yon Ling, an associate of the official Chinese Academy of Social Sciences and published in the official journal, *Social Science in China* (as noted by Zagoria),

'experience proves that egalitarianism is a disaster to the socialist cause, a throttle on enthusiasm for labor and a corrosive agent to the social productive forces.'

Interestingly, in apparent refutation of this claim, productivity in 10 out of 15 industries in China fell after the introduction of the new wave of reforms.

Workers in these industries are resisting the new capitalists, albeit in primitive, limited ways since the destruction of their left-wing leadership during the course of the Cultural Revolution. But even on their own terms the Chinese reformers are seeing mixed results, at best.

INFLATION

As the Four Modernizations policy became more entrenched, many capitalist characteristics of labor markets emerged as well. Inflation, already running at a worrisome 10 percent in the early 1980s, reached 30% in the late 1980s (in the SEZs it is twice as large) due to the high, unplanned demand for productive capital. Recent deflationary measures by the Chinese government have reduced it to around 20 percent, but with a substantial cost of higher unemployment.

At the same time, debt to foreign capitalists has risen to over $35 billion for the central government alone. This figure does not include the foreign debts of provincial governments and individual entrepreneurs. This debt was growing substantially in 1989. These debts are likely to put China into the familiar debt-slavery of much of the Third World.

PUSHING WORKERS BACK 200 YEARS

The most important effects of the Four Modernizations and related policies are on the working class. The workers have lost the "iron rice bowl" security and have become traditional capitalist-style appendages of the production process, migrating to wherever capital dictates and often finding no jobs and no means of survival except begging. The government's "family responsibility system" in the countryside has led to an enormous migration of "freed-up" rural workers to the cities, the equivalent of the English workers uprooted by enclosures in the 18th and 19th century. They arrive in the city, unemployed and ineligible for any social services and look for any work to survive. Most enterprises that hire them use sweat-shop labor processes. In Guangdong Province, despite a recent law against child labor, 20 percent of the workforce are children.

The reintroduction of market mechanisms in China may increase productivity for a time since the combination of security (left over from the period of workers' power) and alienation had led to stagnation. But the market will create new contradictions as the working class is attacked and as impersonal market forces create crises of overproduction and recessions.

COMMUNISM CAN DO BETTER

Does communism offer a realistic alternative? Our many anti-Marxist critics claim that we are utopians. The open capitalists say that human nature is selfish and individualistic so that only a competitive capitalist system harmoniously corresponds to the natural character of humanity.

Thus, these critics say, the goal of communism is impossible and an illusion; once its advocates took power, they say, communism had to become a totalitarian nightmare because its goal of collectivity and equality did not correspond to human nature; its putative egalitarian goals could only be achieved by brute force and coercion, and could never create thriving

human communities. Still, such critics argue, the individualistic human (capitalist) spirit could not be stamped out, and this human nature is now evident in the upsurges throughout the communist world.

This is nonsense. Most of human history has been collective. Even the harshly exploitative systems of ancient slavery, feudalism, and oriental despotism embodied concepts, however distorted, of a human cooperative community. **Only a few hundred years of human history has been characterized by the competitive struggle of all against all. Capitalism stands out as the aberration in human relations,** with the impersonal market replacing and/or covering up real human relations. Millions have fought throughout history for the goals of communism precisely because it coordinates the activity of the human race without exploitation of people by other people. Communism, not the brutality of capitalism, is the basis for a just, productive, and natural social organization.

Interestingly, our socialist critics end up saying something quite similar to the capitalists. They argue that it is impossible for the working class to achieve communism because the workers (and/or peasants) are too backward. There are many reasons given for this. Some argue that the forces of production are inadequately developed in many parts of the world for the direct producers to gain the experience of working collectively. For some reason these socialists believe that unless workers work with each other under the command of the capitalist exploiters they will not learn about the need for equality and collectivity, and its possibility under a workers' dictatorship.

Others argue that workers in advanced countries like the U.S. are too corrupted by their relative comfort and security to ever support communism. In other words, the socialists always can find a reason for workers being unable to grasp the ideas of communism and mobilize behind its goals. This leads them to argue that only discrete stages of social change (falling far short of communism) can actually be achieved. With this analysis, pseudo-Marxists in varying ways claim that the Soviet Union and China are doing the best they can (or at least far better than the capitalist West).

This analysis is also incorrect. The primary reason that communist revolutions have not occurred (or been sustained) in

either advanced or developing countries is that communist forces are either absent from the scene or, more importantly, have followed the incorrect, revisionist line of the Soviets or Chinese.

Making and sustaining egalitarian revolutions is not easy, of course, but that is no reason to argue that it shouldn't be done (the capitalist apologists) or that it can't be done around communist goals (the socialist critics).

Our small party has not been alone in holding the assessment that communist politics must lead the revolutionary struggle. The Left, which was supported by tens of millions during the GPCR made these same basic points during its massive battle against revisionism in China. Their example, along with our party's own experiences, reassures us that mass support for communism is not an idle dream or a utopian fantasy, but a practical need and a realistic option in the modern period.

The implementation of market changes to salvage the sluggish economies of the Soviet Union, Eastern Europe, and China is possible only because the working class has lost political power there and is subject to oppressive, alienated, and exploitative working conditions. The 20th century history of communism has demonstrated that enthusiasm for communism can lead to monumental feats of production and (relatively) egalitarian distribution, but the crucial ingredient is political committment by the working class to the construction of communism, its own type of society.

There are dramatic stories of the achievement of communism. The most advanced and widespread form was the Chinese Great Leap Forward, with the Rural Peoples' Communes, which for a significant period of time distributed many basic necessities according to need among the rural masses, even as they made life for themselves better, more interesting, more satisfying, more under their own control than ever before in history.

Some people argue, however, that even if relatively short-term communist morality is possible, it will not hold up over the long run. Didn't the capitalist system return? And how could this have happened without at least passive acceptance of this by the majority of the working class? "Whipping people up into an egalitarian frenzy" only works for a while, according to this view, and is

therefore not the basis for a stable society.

However, the experience of the Soviet Union in this regard is more telling. After all of the difficulties of the 1920s, the Soviets achieved what capitalist propagandists like to call an "economic miracle" in the 1930s and an even bigger political/economic/military "miracle" through the war years. As we have noted often before, these "miracles" were filled with errors that later came home to roost. Extensive use of market incentives, especially for labor, did occur.

But despite this, the historical accounts of the period are filled with an exuberance and enthusiasm within a working class that felt it was creating its own future. This understanding means everything. The enthusiasm of the working class to forge its own future made it possible for the central economic plans to be met (and exceeded) in form and content.

Today bourgeois economists say that central planning may work in an economy just beginning to industrialize, but that a technologically advanced economy serving a multiplicity of consumer needs is too complex for it. Actually, no matter what the level of technological sophistication, no central plan can succeed without mass participation and enthusiasm; with it, the complex production needs and decisions of a modern advanced economy can be streamlined through central planning. It is the lack of workers' enthusiasm — with good reason — that has led to the sluggish performance of the Soviet economy, not its growing technological complexity.

Workers' enthusiasm is not a transient emotional state (some sort of "rah-rah" communism) but a deep feeling of sovereignty and solidarity that makes each day exciting as the working class creates its own future in all areas of endeavor. These feelings and motivations cannot be artificially created but must come from an objectively developed organization of society that guarantees the full participation of each worker in planning, decision- making, and executing collective goals.

Disenfranchisement of workers will show up in their attitude towards work. The creativity of the working class can be collective and organized, not individualistic as the bourgeois apologists tell us. Teams of workers can develop innovations as part of the creative process every bit as much as teams of clever scientists can pursue a

cure for AIDS, and can do so much better. They do not need individual carrots; the "carrot" of a better society for all is more than enough already for many people, and certainly can be the foundation of a communist human nature and a communist morality.

The 1930s, when the Soviet Five-Year plans were adopted, were a dramatic period of labor enthusiasm, especially among party cadre and sympathizers. It is hard to imagine a plan succeeding without such excitement.

At the same time, there were serious problems. The party strove to win the working class to the idea that *industrial development* was the key to maintaining socialism. At the same time, apparently unsure of the ability of ideological motivation to accomplish this goal, the party put into place some very questionable labor practices. It introduced "socialist competition" and "shock workers" to play instrumental roles in moving production forward. *In short, it gave the most active cadre and workers the task of leading the struggle to increase production rather than the task of winning the political battle for the hearts and minds of the other workers.*

Many of these workers were peasants who migrated to the cities and brought with them little knowledge of communism since there had been little emphasis on winning the political battle for communism among the rural workers and peasants in the previous decade. The party essentially squandered the political enthusiasm of its cadres and the most advanced workers on increasing production.

By itself, increasing production was not bad, but since the political battle for communist consciousness among the working class was not waged sufficiently, the party fell back on coercive techniques of management to induce some strata of the working class to produce at intensive levels. One result of this was an unwillingness on the part of some workers to internalize the real goals of the party. If a quota was forced on them, they met the quota, but perhaps with shoddy merchandise. Or the workers overfilled the quota on easily produced products offsetting their failure to fill a quota on difficult products. In other words, many workers and managers heeded the letter, not the spirit of the planning process, and thus subverted it to some degree. These tendencies developed in the 1930s, and have become the

norm of production today in the Soviet Union.

The stories about scarcities of consumer goods and the long lines in the Soviet Union are rampant. Obviously, it is an unpleasant part of life. But remarkably, these complaints were not heard in the 1930s and 1940s, and it was not because people were scared of the secret police. It was because the working class knew that heavy industry and a strong military was needed to assure the existence of communism, and it was willing to put up with many inconveniences (including massive losses of life!) to prevent the military overthrow of their communist society.

Today that sentiment is gone because the political power of the working class has been lost. Now, as in the USA, consumerism is becoming the only way of expressing creativity or marking advancement. Soviet and East European people have become preoccupied with individual creature comforts, and why not? Their governments are not workers' government, the masses have no say, no revolutions are being promoted to expand the vista of communism, so why sacrifice? Why not try to have it all now? And Gorbachev responds to this by agreeing that consumer industries must be improved.

Do communists want better refrigerators? Of course! But refrigerators may very well not be the primary objective in a world still saddled with capitalist exploitation and genocidal racism. Wouldn't workers in any country be willing to give up some comforts to destroy the hated apartheid regime in South Africa? Of course they would! But they know that "giving up" wages, working conditions, etc., won't do a thing to liberate South Africa because the ruling class — even in the Soviet Union — is supporting that regime in various ways. So the inexorable logic is, get what you can for yourself.

Obviously we would prefer to see the working class organizing a revolutionary communist party to smash revisionism and restore communism in the Soviet Union, and are trying as best as we can to help make this so. But how can anyone blame alienated, exploited workers for trying to get more back from the bosses when no alternative seems available?

As the changes and upheavals sort themselves out in the Soviet Union, Eastern Europe, and China, it is inevitable that increasingly oppressed workers

will come forward with new revolutionary leadership. Already, there are struggles between the left and right in the new Soviet miners' organizations.

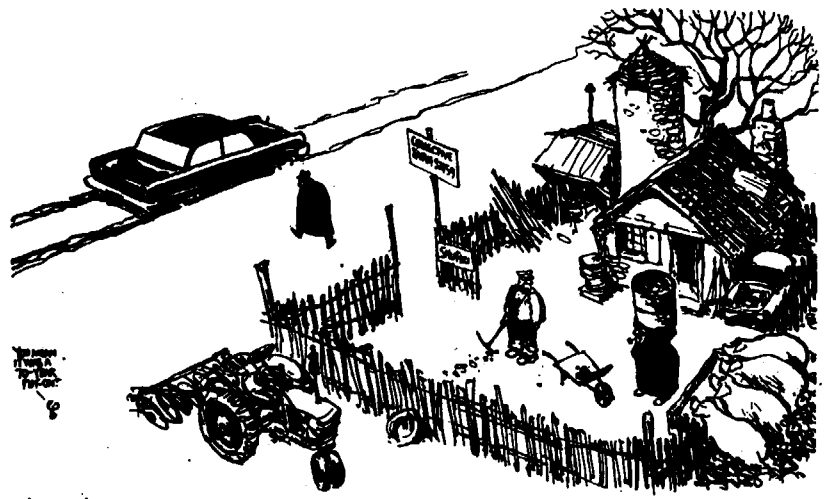
The harsher capitalism of perestroika will surely induce more class struggle as the class nature of the reforms become apparent in material life. Once again, transient concerns about refrigerators and VCRs will recede and revolutionary communist agendas will appear, helped and led by the PROGRESSIVE LABOR PARTY. We need not be discouraged, for the historical process is still unfolding in the direction of communism, and the current wave of market reforms simply clarify how certain shortcuts and detours failed in humanity's inevitable march towards a classless society.

CONCLUSION

The experience in the Soviet Union and China shows that the restoration of capitalism disenfranchises workers, sapping them of their enthusiasm for building a better, more productive world. The remaining traits of socialism, such as central planning and job security, tend to undermine productivity once the basic incentive of the working class to create its own world is gone. Thus, more and more explicit capitalist measures are introduced in these societies as they try to compete in the world capitalist market. There is a logic to their decisions. If they are to be strong, capitalist societies, then strong capitalist measures are needed. Let nothing stand in their way! But let us rest assured that the world's workers have nothing to gain in all of this. Our interest is now, and will be, rebuilding the world communist movement and creating our own world with no capitalists or capitalist practices.

By P.A.

UNDERSTANDING EVENTS IN EASTERN EUROPE



'HOW D'YA LIKE THAT? MOSCOW SAYS TO FORGET ABOUT COMMUNISM – THEY WERE JUST KIDDING.'

Despite the triumphant proclamations of Western imperialists, the Soviet empire is not crumbling. Engineered and encouraged by the ruling Gorbachev faction, the great changes in the East signal, not collapse, but the formation of a powerful alliance between the Soviet bloc and West Germany. The worldwide center of imperialism is shifting away from the United States.

Nor has communism died. The economic form that is being eradicated as the Soviet-Eastern European-West German colossus emerges is not communism, but state capitalism, a system of exploitation that developed precisely because the old socialist movement refused to put communism into practice. This system has proved in-

efficient for the exploiters. For workers in the countries undergoing Gorbachevism, the rush to free-market capitalism is bringing, not freedom, but a sharp increase in the fascist terror they have known for three decades. For workers everywhere, rather than promising peace, the realignment of the superpowers threatens war.

Communism remains the working class's sole means of survival.

The first half of this century saw communist revolutions in the Soviet Union and China. Fighting under their own flag, workers raised themselves from serfdom to dignity. They created a better way of life for hundreds of millions of people. They beat back Nazism, capital's sharpest offensive.

But out of errors that workers made in their struggles arose an anti-communist counter-revolution. Proletarian leaders from Marx to Mao thought that communism could only come after a transitional period of socialism. Socialism, in retaining aspects of the profit system, especially inherently unequal wages, spawned a new parasitic ruling class, which enriched itself by exploiting workers in the state monopolies, though the strength of the workers' movement forced it to make important concessions, including guaranteed employment, housing, education and health care.

Since the 1950s in the Soviet bloc, and the 1960s in China, this state capitalism robbed workers of the gains they made when they thought they were building communism. Now Gorbachev and his followers have brought the counter-revolution to a higher level as they strip away the social benefits that still remain for workers, sell off the old monopolies, restore full-blown free-market profiteering, and join in an imperialist confederacy with the West German bourgeoisie.

These developments underscore the increasing need to rebuild an international communist movement; understanding them is vital.

Official U.S. Spokesman

The U.S. ruling class, however, cannot afford a realistic analysis of the new world order resulting from Gorbachev's reforms. Reporters, politicians, academics and other spokesmen for America, Inc. try to mask its weakness by presenting night as day:

- While billions of deutschmarks flood into the Soviet bloc, where state capitalist rulers have fallen like dominoes, dollar investments are few and far between.
- German reunification makes NATO a dead issue. The rising Moscow-Bonn axis threatens to eclipse what remains of U.S. power outside the Americas.
- As one form of capitalism replaces another in the Soviet bloc, they prattle about the "death of communism."
- Workers' living standards fall and racism rises under the new regimes, so Bush hails the advent of "freedom and democracy."
- Powerlessness gives rise to fantasy: the Soviet-German sphere of influence stretches from Lisbon to Vladivostok and beyond, so the experts proclaim that the U.S. has won the Cold War. Competition and conflict sharpen among the world powers.

The greatest falsehood of all, the one chiefly used to claim that communism has died, is the claim that the Soviet Union and its Eastern European satellites are—or until recently, were—*communist* states. Communism is rule by and for the working class with the paramount goal of organizing society on an egalitarian basis. By no standard does this description currently fit any country in the Soviet bloc (or the world, for that matter). What has prevailed there for three decades is a form of profit making known as state capitalism.

HOW STATE CAPITALISM WORKED

In this system, the government owns and operates the means of production, nominally for the benefit of the working class. But the privileges accorded over many years to "experts" like high party officials and plant managers have made them a self-perpetuating ruling class over and above the workers.

While shamelessly calling themselves communists, these bosses act like owners. Typically, central planning diverts profits back to this "red" bourgeoisie. Low pay and shortages rob workers of wealth, as grandiose five-year plans build the profit base of plant managers

and the power base of politicians. State-set production quotas reward industrialists and punish workers. Glaring inequalities divide antagonistic classes. The Soviet nomenklatura enjoy perquisites like cars, fancy apartments, special luxury shops, and top-flight schools, while Siberian miners are forced to live in squalor. Until recently, members of East Germany's Politburo could cavort in a private retreat complete with maid service, a hunting preserve, and a swimming pool; the "communist" party had built the place in 1971 to protect its leaders during mass demonstrations against food shortages (*New York Times*, November 28, 1989).

It is, however, essential to point out that the USSR was, indeed, a workers' state once; the great social transformations of the 1920s and 1930s and the defeat of the Nazis were achieved by a dictatorship of the proletariat, although even then right-wing errors were being made that would eventually lead to its reversal. The PROGRESSIVE LABOR PARTY has made the analysis that the chief mistake was a failure to put communist theory into practice immediately. We now reject the concept of socialism itself. In the Soviet bloc nations, socialism vastly improved conditions for workers, but it put economic growth ahead of social reorganization and the political development of the masses and preserved inequalities.

Jakub Berman, a Soviet-trained member of the Polish Politburo, described how socialism retained and promoted class distinctions in the years after World War II:

Whenever revolutionaries tried to use socialism as a first step to communism a privileged elite arose and became a class of parasites.

> We also wanted to use the old, prewar elites to the full by including them in the building of socialism. For this reason we took on, among others, Boselaw Krupinski, a great mining expert, and Eugeniusz Kwiatkowski, who'd been a deputy premier before the war....At the same time we tried to create a new elite from among workers and peasants, which would be able in future to take over from the old one....Hence also our attempts to privilege young people from working or peasant backgrounds who wanted to take up education, especially higher education. (*Them: Stalin's Polish Puppets*, Teresa Toranska. Harper & Row, 1987. p. 268)

Wherever the two-stage theory of revolution prevailed, ultimately and inevitably the privileged elite became a class of parasites. The turning point came during the Khrushchev era when the Soviet Union proclaimed itself the "state of the whole people" and rejected the dictatorship of the working class. Denying the reality of class struggle, this concept of the state officially sanctioned the return of capitalist social relations. It was during the Khrushchev era that the composition of the party, and its outlook, changed fundamentally and irreversibly. No longer was it proletarian leaders building socialism in the hope of reaching communism. A gang of capitalists now ran the state for their own account.

That state monopolists call themselves communists is the big lie of this half-century. The enemies of the working class use it to charge Marxism-Leninism with the abuses and failures of state capitalism. This falsehood underlies the rhetoric of U.S. imperialism from Nicaragua to Namibia; Gorbachev relies on it as he tries to rub out the last traces of collectivism and equality. Communism has not died. Communist ideas thrive among many workers in the East. Egalitarian values, chiefly outrage at the inequalities of Perestroika, sparked the strike of more than half a million miners in Siberia and the Ukraine. A *New York Times* article of July 26, 1989, conveyed Soviet workers' feelings at the time:

> Public-opinion polls—and the bitter envy directed at the flourishing private sector—indicate that most workers believe the state has an obligation to prevent some citizens from prospering while others fall behind.

Communism is far from dead; the material basis for it, a huge majority of workers exploited by a handful of hated bosses, exists everywhere in the world. Communist theory is more advanced than ever; the errors that caused earlier Marxist-Leninists to sow the seeds of state capitalism have been analyzed and corrected. What is needed is an international movement that adopts this theory as a fighting tool and reclaims the proud name of communism from those who have tried to defile it.

CRISIS OF STATE CAPITALISM

State capitalism recently reached a stage of stagnation. Anders Aslund, an economist, used United Nations and Soviet sources to analyze the problem in the USSR. In *Gorbachev's*

Struggle for Economic Reform (Cornell, 1989), he relates that the economic growth rate in the Soviet Union dropped from 4.4% in the period from 1961 to 1965 to 0.6% in 1981-1985, according to Soviet economists Grigori Khanin and Vasili Selyunin, while

> the most authoritative Soviet economist, Academician Abel Aganbegyan, has stated that there was no growth both from 1978 to 1982 and from 1980 to 1985.

Aslund attributes the slowdown to "demoralization, alienation, apathy, and lack of initiative" among workers.

Furthermore, state-owned factories were notoriously inefficient, says Aslund, requiring 3.3 times as much energy as Western European plants to produce the same amount of goods. Quality declined; only 18% of Soviet manufactures were deemed "exportable to the West" in 1987. The USSR became less competitive in world markets.

> In 1955, 28% of Soviet exports to Western Europe were manufactured goods, but in 1983 this share had fallen to 6%....The U.S.S.R. is quickly losing out to newly industrialized countries (NICs). In 1965, it provided the OECD countries with 0.82% of their imports of manufactures, but in 1981 its share had shrunk to 0.51%. Meanwhile, NICs raised their share of western imports of manufactured goods from 2.74% to 6.95%. (Aslund)

In the inter-imperialist rivalry, however, the Soviet economy, despite its difficulties, remains relatively stronger than that of the United States. In the USA, declining competitiveness is compounded by the more serious crisis of overproduction, the ulimate weakness of fully developed capitalism. Overproduction results from the competition that drives capitalists to make their plants ever more efficient. In so doing, they lay off more workers even as they produce more goods. The capitalists' ability to make things outstrips the workers' ability to buy them. In 1989, for example, there was a greater variety and number of automobiles on sale in the United States than at any time in the history of the industry, but new car sales fell by 9% as 26% fewer jobs were created.

And it is an inevitable paradox of overproduction that increasing homelessness accompanies a depression in the real estate market. The *New York Times* (January 7, 1990) reports that developers in Massachusetts have built 71,000 "extra," unsalable houses; meanwhile tens of thousands of people in that state live in the streets or in public shelters.

The Soviet Union has not yet reached this stage of capitalist development. In fact the workers' ability to buy things far surpasses the bosses' ability to make them. Shortages abound, and it is estimated that each household in the nation is forced to hold about 1,000 rubles in savings because there are not enough goods available to spend it on. Economically, the Soviet Union resembles the United States a century ago: it has tremendous potential in resources and labor, but, from a capitalist point of view, its markets are still infantile. The Soviet Union has 280 million people and produces more oil, steel, gas, fertilizers, tractors, concrete structures, woolen cloth, shoes, and sugar than any country in the world, but it makes few personal computers and no compact disc players.

GORBACHEV'S STRATEGY

In the mid-1980s a reform faction, led by Gorbachev, arose that was determined to make the scope of the Soviet Union's economic activity match its military strength as a world imperialist power. "Only an intensive, highly developed economy can safeguard a reinforcement of our country's position on the international stage and allow her to enter the new millennium with dignity as a great and flourishing power," said Gorbachev in December, 1984. Overcoming considerable opposition, the reformers launched Perestroika, a plan to eliminate state monopolies, lay off "superfluous" workers, end wage supports, and restore free-market relations, while promoting similar changes in Eastern Europe and integrating the entire bloc in the world economy as West Germany's partner.

This marriage of convenience between the Soviet and West German bosses offers huge benefits to both parties. The Soviet bloc needs foreign investment for modernization; with a current account surplus of $57 billion, West Germany can supply it. West Germany needs the USSR's vast oil and gas resources and pays in valuable deutschemarks. Low Eastern European wage rates, driven down further by the new "reforms"—Polish workers will average 50 cents an hour in 1991—are a potential gold mine for West German industrialists, who have hourly labor costs at home of $18.29.

Demilitarizing borders will bring great savings to both sides. West Germany's troops, all facing east, cost the government DM 50 billion a year. Sim-

ilarly, many of the Soviet Union's 550,000 soldiers in Eastern Europe could be cut. Another windfall for Moscow will come from abandoning the paternalistic Comecon arrangement, which subsidizes Soviet exports to the satellites. Hungary pays $6 a barrel for Siberian oil; in the free market, it will pay the going rate of $20 or more. An explosion in East-West trade is foreseen. According to the *Economist* (which uses the lying label "communist" for "state capitalist"):

> Liberalization in Eastern Europe—and in the Soviet Union itself—means enticing opportunities for German influence and, in particular for German business. Already West Germany is the leading trading partner for communist Europe. Communism's protectionist planners have so far kept sales to West Germany's markets in the East below 6% of its exports. As communist Europe goes capitalist, a market of 400 million frustrated consumers beckons. German businessmen are swarming in. (October 14, 1989)

ATTACKING THE WORKING CLASS

In this light, the political changes in Europe represent, not the collapse of the Soviet empire that the U.S. media trumpets, but the deliberate and, thus far, successful drive by the Gorbachevites to rebuild that empire on a thoroughly capitalist basis. In each of the "transformed" East European nations a familiar pattern appears: with Gorbachev's tacit or express support, new regimes friendly to Perestroika and open to West Germany have supplanted the old-line state monopolists. Whether their leaders call themselves "social democrats" or "reform communists," all the new movements viciously attack the working class with the fascist weapons of wage cuts, union busting and racism; their followers are would-be yuppies and robbers greedy for a piece of the free-market pie, not the proletariat.

In Poland, for example, *Solidarity's* rise to power matched its decline as a labor union, suggesting that its success results less from workers' support than from Moscow's pledges not to crush it. Union membership in Solidarity fell from over 10 million in the turmoil of 1980-81 to about 2 million in 1989 as workers became aware of Walesa's capitalist orientation. Their view has been borne out by Solidarity's first acts as Poland's ruling party.

In exchange for a $3.5 billion loan from the International Monetary Fund, Polish bosses in January, 1990, implemented an IMF-dictated austerity plan that

by year's end would cause 400,000 layoffs, end food subsidies, and cut real earnings by 20%. West Germany, however, which already held 20% of Poland's $40 billion debt, beat the IMF to the punch by granting a $4.8 billion loan and aid package under similar IMF-conditions on October 10. Paving the way for this debt bondage, the Solidarity regime had issued an appeal in August for a six-month moratorium on strikes. Workers' compliance was hardly universal; tens of thousands of miners protesting price hikes walked off their jobs in January of 1990. In the words of Jeffrey Sachs, the Harvard economist who advises Solidarity, "Poland, like the rest of Eastern Europe, does not have too many unemployed; it does not have enough." (*Le Monde Diplomatique*, February 1990)

The Soviet Union, which has a vital stake in the Polish economy, is, like West Germany, bankrolling Solidarity's capitalist revolution. The *New York Times* (October 5, 1989) relates:

> Poland's Communist Party daily, Trybuna Ludu, disclosed today that the Soviet Union provides nearly 85% of Poland's crude oil and 65% of its processed petroleum products, as well as 72% of the iron ore smelted to steel in Polish mills. Last week, a senior Soviet diplomat in Warsaw said Polish debt to Moscow amounted to about $6 billion. He added however that Moscow had agreed to postpone repayment for ten years.

Born-again Nazism is part of the all-out assault on workers in the rising Soviet-German-East-

ern Europe league. The West German elite include a large number of old Nazis. A former Waffen SS officer heads the ultra-right Republican party, which claims 9% of the electorate and is growing. As ties between Warsaw and Bonn strengthen, fascist ideology resurfaces. In September, 1989, Cardinal Glemp, a chief architect of the Solidarity government and spiritual leader of 90% of all Poles, preached a vehemently anti-Semitic sermon against the Jews who protested the building of a Catholic convent at Auschwitz. And it is hardly an accident that on the very day that Chancellor Kohl visited Poland to announce a $1.9 billion loan he laid a wreath on the grave of an unknown Nazi soldier buried in Polish soil (*New York Times* November 11, 1989). The government of Poland had forbidden West German Foreign Minister Genscher from making a similar gesture in 1984.

HUNGARY

In Hungary, Perestroika-style reforms began in earnest in 1988 when 150 companies transformed themselves into private firms, laying off 9,035 workers and raising the number of those below the official poverty line to 10% of the population. A law was then passed to permit 100% foreign ownership of factories (*Business Week* June 5, 1989). Here, too, West Germans took the lead. The number of West German-led joint ventures exploiting Hungary's cheap labor shot from 80 to about 130 in the first half of 1989.

Hungary's rulers helped their new partners further by touching off the exodus of East Germans that would shortly bring down the Honecker state capitalists and open the way for German reunification. Kohl and Company were grateful.

> On the eve of last weeks party conference in Budapest, the Bonn government told Hungary, which had so obligingly let East Germans through to the West, that it was doubling its limit for credit guarantees to DMl billion. Baden-Wurttemberg and Bavaria then chipped in with similar offers worth DM250 million each (*Economist* October 14, 1989).

In another bow to their new overlords, *Democratic Forum*, then the leading opposition party in Hungary, "conducted an active campaign for a referendum boycott and centered its attacks on the *Free Democrats*, with particular emphasis on the fact that several *Free Democratic* leaders are Jews." (*New York Times* November 28, 1989).

The fate of the rest of Eastern Europe was sealed on October 23, 1989, when Gorbachev's foreign minister proclaimed before the Soviet parliament "the impermissibility of any interference, and the recognition that every country has the right to an absolute—absolute— freedom of choice." Embattled oldliners could expect no help from the Red Army.

EAST GERMANY

Gorbachev, no doubt, made that point clear to Erich Honecker when the two met at East Germany's 40th anniversary celebration in Berlin on October 7. Two days later, 70,000 anti-Honecker protesters filled the streets of Leipzig with chants of "Gorby! Gorby!" On October 16, there were 100,000. By October 18, Honecker had gotten the message and quit.

Long before the Wall fell on November 9, and before reunification became a topic for official discussion, West Germany was preparing its eastern neighbor for its conversion to Western-style capitalism. On September 2, the *Economist* reported:

> The West Germans are already ploughing more than $2.6 billion a year into East Germany to improve communications, curb pollution, and buy freedom for political prisoners....They are also from this month, linking East Germany into the West German electric grid.

West German banks had already loaned more than $12 billion to East Germany.

Along with preparation to make the Germanies ein Reich once again comes a revival of Nazism in East Germany. According to *L'Express* (January 19, 1990), an estimated 2% of East German youth (6% in East Berlin and Leipzig) belong to neo-Nazi skinhead gangs. East German authorities recorded 144 "fascist" crimes in the first ten months of 1989, as against 44 in all of 1988. West Germany's neo-Nazi Republican Party claims 100 members and 300 sympathizers in organized clubs inside East Germany. They plan to run candidates in the next elections for the People's Senate.

CZECHOSLOVAKIA

The last time Czechs showed a tendency towards Western capitalism, the Kremlin sent in tanks and jailed the leaders. But when 250,000 people marched against party rule in Prague in November, the guns were silent, in keeping with the Gorbachev doctrine. The protests were led by Civic Forum, a group which the *Economist* (November 25, 1989) says, with characteristic understatement, "does not yet include many industrial workers."

Covering events in Prague for the *New Yorker,* Amos Elon saw evidence of something other than a grass-roots rebellion:

Before long elements of the city and state bureaucracy, too, became accomplices of the revolution. Initially, the speeches in Wenceslas Square were delivered on handheld megaphones. Then someone hooked Civic Forum's microphones into the permanent city loudspeaker system. The speeches were now audible within a radius of one mile from the city center. Suddenly Civic Forum had at its disposal mimeograph machines, telephones, photocopiers, computers, and a fleet of brand-new cars. (January 22, 1990)

West Germany is expected to demand that Czechoslovakia be included, along with Austria, Hungary, Poland and East Germany, in the European Union of 1992.

BULGARIA

The next sitting duck in Gorbachev's shooting gallery was Todor Zhivkov, who had pulled the strings of Bulgaria's state monopoly system for 35 years. Immediately after he fell, the new leadership decided to reinstate 11 former party members who had been purged for anti-government criticism. "Nearly all of the 11 belong to a major dissident movement, the Independent Discussion Club for the Support of Glasnost and Perestroika," said the *New York Times* (November 15, 1989). The chief topic of political debate in Bulgaria today seem to be the extent to which ethnic Turks in the country are to be persecuted.

RUMANIA

Ceausescu's bloody last stand makes Rumania an incongruous link in the chain reaction. Evidently, the dictator trusted too much in the ability of his personal 20,000-man Securitate army. And as a sort of state capitalist Louis XIV, he had much more to lose from Perestroika than the rest of the old line rulers did. Ceausescu, or rather, the Ceausecu family—30 of them held top government positions—was the state. They used its apparatus to amass a fortune of over $1 billion, and the people hated them for it. Any change in regime meant impoverishment and death for this royal family.

"Red" bosses elsewhere managed to retain a good deal of their wealth and power by selling the old state firms to themselves.

In Poland, some of the apparatchiks are turning state-owned companies they mismanaged into their own private businesses, in a process called "enfranchisement of the nomenklatura"

....Variations on this theme involve purchase of state assets on the cheap, leasing assets directly to managers, or simply adding a few state-enterprise managers to the boards of new companies....Hungary is enacting a law that might enable apparatchiks to snap up some of the country's 200-300 largest state firms on bargain basement terms. (*Economist,* August 26, 1989)

Ceausescu had no such alternative.

Moscow's hand in the Rumanian coup was apparent. Its leader Ion Iliescu, is described by the media as "Gorbachev's man in Bucharest." A French television station aired a tape in which Rumania's General Militaru admitted that, six months before the uprising, pro-Soviet party leaders had discussed forming an interim government. When the fighting began, a shipment of Soviet arms is reported to have helped turn the tide.

True to form, the new political setup in Rumania is giving life to bad old ideas. Until the Soviet triumph in 1944, the country had been a stronghold of fascism. Twenty Rumanian divisions joined in the Nazis' 1941 invasion of the Soviet Union. Under General Antonescu, the ruling *Iron Guard* party murdered hundreds of thousands of Jews. Today, one of Rumania's leading opposition movements is the reborn *National Peasant Party.* During World War II the *National Peasants* were allied with the *Iron Guard.* In February 1990, a synagogue was vandalized in the town of Oradea. Demonstrators in Bucharest denounced Iliescu and his lieutenants for being Jews, not "true Rumanians." *(Le Monde,* February 20, 1990.)

The economic union between Moscow and Bonn began in the early 1980s when deutschemarks financed a natural gas pipeline from the Soviet Union to Western Europe despite vehement protests from the U.S. Today, the Federal Republic is the USSR's biggest trading partner and has sponsored more joint ventures there than any other nation. West German Foreign Minister Genscher is protecting a huge financial stake when he proclaims, "The West has the responsibility of helping to reinforce the irreversibility (of perestroika) through economic cooperation...and by pushing ahead with the disarmament process."

Frankfurt bankers must be particularly encouraged by the Soviets swelling privatization campaign; direct foreign investment can hardly be far behind. In 1987, cooperatives—firms in

which the managers retain all profits and enjoy all but legal title to the plant and the land under it—had sales of two billion rubles; estimates for 1990 put the figure at 50 billion rubles or one-eighth of the nation's total retail sales. Soviet deputy prime minister Abalkin predicts that private enterprise will account for 55 to 80% of industrial assets by 1995 (*The Economist*, December 9, 1989). The heads of these firms are free lay off workers and to set wages as low as the market will bear. The human costs of Gorbachevism are deplorable.

PERESTROIKA MEANS POGROMS

In Russian, *perestroika* means "restructuring"; for workers, it means the return of penury and the pogroms. In the past two years racist attacks killing hundreds of people have taken place in the Soviet Republics of Armenia, Azerbaijan, and Uzbekistan. While the bourgeois media talk of "age-old ethnic animosities," the real cause is to be found in the policies of the Kremlin. The *Wall Street Journal* (November 2, 1989) reported:

> The Soviet Union's jobless rate is soaring to 27% in some areas, *Pravda* said. It said the situation is caused by efforts to streamline bloated factory payrolls. Unemployment has reached 27.6% in Azerbaijan, 25.7% in Tadzhikistan, 22.8% in Uzbekistan, 18.8% in Turkmenia, 18% in Armenia and 16.3% in Kirgizia. *Pravda* gave no estimate for overall employment but said an "Association of the Unemployed" has cropped up that says the number of jobless is 23 million Soviets, or 17% of the workforce.

In Baku, as in Bensonhurst, workers are being misled to fight one another, instead of the ruling class, for scarcer and scarcer jobs. The misleaders themselves are a direct product of perestroika. Gorbachev's constitutional reforms, in holding up the promise of greater autonomy for the republics, have fostered the emergence of scores of nationalist groupings headed by small-time capitalists who seek to control free- market operations in their own area. In Latvia, for example, where racism against Russian-speaking workers is rampant, the secessionist Popular Front

> calls for Latvia to take control of 300 enterprises now run from Moscow. The enterprises would keep all their earnings and output, sending Moscow only a 10% tax. (*U.S. News & World Report*, January 15, 1990).

The strategy of "divide and conquer" is as old as exploitative society itself. Soviet rulers use racism to staye off real rebellion, as workers' conditions

worsen. Even Nikolai Ryzhkov, chairman of the Soviet Council of Ministers admits

> we have tens of millions of people whose living standards are not sufficient...we believe that they amount to about 15% of the total population, or 43 million people. (*Business Week*, June 5, 1989).

Officials predict the firing of 12 million more workers by the year 2000 (*Le Monde Diplomatique*, October, 1989).

The more lucid of the U.S. establishment's analysts can see that *racist hostility is not a weakness of perestroika, but one of its foundations*, and that Gorbachev "tolerates" it with enthusiasm.

> The subjective feeling among Moscow intellectuals is that the nationality problem is dangerous; this is precisely the result Gorbachev has been seeking to create. We should not be fooled. Gorbachev is not taking enormous risks when he addresses the population....He understands—as we must—that the non-Russians are too divided among themselves to be a serious threat, especially when they can obtain three-fourths of a loaf (greater autonomy) if they do not destroy it by demanding too much. (Jerry Hough in *Foreign Affairs*, Winter, 1989/90)

Ethnic violence has caused Gorbachev some genuine problems, including work stoppages and railroad blockades, and there is the danger that things may get out of control. But, so far, these drawbacks nave been outweighed by a need to fragment the working class. Anti-Semitism in particular serves that function. The *New York Times* devoted its lead article of December 14, 1989, to the growing exodus of Jews. More than 62,500 have left the Soviet Union this year, most for Israel and the United States. The article emphasized that the majority of those leaving are neither Zionists, nor do they regularly practice Judaism. They go out of fear. The *Times* quoted 26-year old Leon Kostavitch, who had just arrived in Israel: "It's dangerous to be there [in the USSR.]".

The *Economist* (December 23, 1989) describes the role of *Pamyat*, a sort of Russian-speaking Ku Klux Klan:

> Grass-roots anti-semitism is growing ferociously, along with the Soviet Union's assorted angry nationalisms....The chief purveyors of unofficial anti-semitism are the various offshoots of the *Pamyat (Memory)* movement...It recycles that notorious forgery, the so-called *Protocols of the Elders of Zion*, a supposed master plan for Jewish world domination. It claims that Jewish Bolsheviks were responsible for killing the Tsar, and for many other infamies....Speakers at *Pamyat* rallies call for an end to the supposed dominance of Jews in Soviet public life....Elsewhere Jews have

been caught in the crossfire between Russians and non-Russians. In Uzbekistan one of the slogans is "Tatars to Kazan, Russians to Ryazan, we'll deal with the Jews ourselves." In Moldavia a local nationalist slogan proclaims: "We'll drown the Jews in Russian blood."

As the Bonn-Moscow axis grows stronger, the U.S. bourgeoisie finds itself increasingly unable to influence events in Eastern Europe. After World War II, the U.S. was able to engineer an infusion of $80 billion (over $1 trillion in current dollars) into Western Europe. This was the Marshall Plan. In contrast, U.S. food assistance to Poland in 1989 amounted to $2.65 per head, not even the price of a Big Mac in Manhattan.

Le Monde Diplomatique (November 1989) described Bush's "forced caution" in dealing with the East:

The man who will end his first term when America's foreign debt has passed $1 trillion knows well that every crisis has a cost and every promise a price. With a budget deficit that, even under-estimated, reaches $160 billion, he is going to have to pay for bailing out the failed savings and loans ($165 billion), fixing leaky nuclear power stations ($100-200 billion), medical care for AIDS victims ($5 billion per year), repairing the collapsing highway infrastructure ($50-150 per year), renewing dilapidated public housing, debt service ($170 billion in 1989), and the "war on drugs"....How can one seriously imagine a Marshall plan for Poland, unless it is financed by Japan or Western Europe. Last summer, when Lech Walesa asked for $10 billion, George Bush granted him...$169 million!

JAPAN'S ROLE

The mention of Japan is significant. With a financial surplus of $350 billion that is expected to reach $800 billion in the 1990s, Tokyo has already begun to exploit its opportunities in Eastern Europe.

Prime minister Tokishi Kaifu of Japan announced a $1 billion aid package for Poland and Hungary today, and said Japan should play a political as well as economic role in Eastern Europe. (*New York Times*, January 10, 1990).

Suzuki Motors is to build Hungary's first automobile factory. For Japan's convenience, the Soviet Union is setting up cheap labor camps known as "free enterprise zones" in Eastern Siberia. Back in New York, however, banker Felix Rohatyn says, "there are no mountains of American capital seeking refuge in the East."

The economies of the nations that make up the Soviet-Eastern European-West German alliance are thoroughly interconnected. The new bloc's reach will encompass all of Europe when the unification of the

Common Market is realized in 1992. The United States finds itself left out of the picture. West Germany has concluded hundreds of deals with the East. But, "there are currently no organized trade discussions at all between Washington and Bonn" (*Foreign Affairs*, Winter 1989/90).

U.S. STRATEGY WRECKED

For four decades, the United States protected its interests in Europe by maintaining West Germany as an armed fortress against the East. That strategy now lies in ruins. West German forces, once NATO's spearhead, can hardly be expected to fight against their new partners. Proposed East-West troop reductions will further tilt the balance of power in the Soviets' favor. When U.S. soldiers withdraw, they go back to North America; Soviet soldiers remain in Europe.

Reality, however, does not keep U.S. Defence Secretary Cheney from fantasizing, "It seems to me that what we're witnessing in the East is partly the triumph, if you will, of Western strategy for the last 40 years, and the NATO alliance has been at the heart of that" (*New York Times*, November 13, 1989). Nor does reality prevent the pundits from seeing Gorbachev's political coups as "defeats."

"INDEPENDENCE" IN THE SOVIET BLOC

In granting nominal independence to the former satellites, Gorbachev follows the example of the French and British decolonisers of 30 years ago. Letting the colonies go allows the mother country to renounce imperialism publicly. It frees the bigger power from the political and financial costs of direct governance. Solidarity, for example, not the Kremlin, now takes the blame for Polish unemployment, and the Soviet Union is about to end the subsidies to the East that, by some accounts, eat up 30% of its gross national product. Business ties remain generally untouched. To this day, French and British capital dominate most of the "liberated" nations of Africa.

In the case of Eastern Europe, geography is an added guarantee of the economic bond.

The same logic applies to republics within the USSR. William Safire, the ultra-right columnist for the *New York Times* writes (October 5, 1989),

At least some Soviet reformers would rather have a string of small allies, similar to Finland, acting as a bridge to the West than face the

need to repress sullenly resistant provinces.

If Lithuania and Azerbaijan leave the Soviet Union, how far can they really go?

We are told that the changes in Europe are bringing about an era of world peace, or in the words of State Department genius Francis Fukayama, "the diminution of the likelihood of large scale conflict between states," as if the two superpowers had suddenly ceased their imperialist rivalry. But immediately after the U.S.-Soviet summit in Malta in December, Bush staged an invasion of Panama, which cost over 1000 lives. Evidently, when it became clear that they were quickly being shut out of Europe, a desperate U.S. ruling class sought to assert its control over Latin America. We can expect further U.S. interventions, as the Moscow-Bonn axis expands and consolidates its power.

Eventually, other imperialists, both strong ones like Japan and weak ones like France and Britain, will have to take sides and will probably choose the Germans and the Soviets. The relatively stable zones of influence that divided the world during the Cold War will disintegrate. The geopolitical interests of the Great Powers will conflict with greater frequency and intensity. The United States' new militarism, already displayed in Grenada and Panama, will tend to escalate into full-scale world war.

Although it has momentum now, Gorbachev's counter-revolution will not succeed in the end because it offers workers nothing but exploitation and racism. Perestroika will inevitably follow state capitalism into the garbage dump of history. An egalitarian society will erase the memory of capitalism in the Soviet Union, in Eastern Europe, and throughout the world, when workers, organized in an international party and rejecting the error of socialism, fight as the Bolsheviks fought, under the red flag of communism. This is the outcome for which the PROGRESSIVE LABOR PARTY hopes, plans and fights .

By R.D.F.

CAN HOLLYWOOD DO THE RIGHT THING?

"Mississippi Burning"
"Glory"
"Do The Right Thing"

The nature of racism in contemporary United States society is complex, and many of its cultural manifestations are contradictory and apparently baffling. On the one hand, it is painfully clear that, in terms of their economic situation, blacks and other peoples of color generally live in even worse conditions than they did ten or fifteen years ago. Despite the appearance of a small minority-group middle class, the income gap between whites and peoples of color has widened substantially. Large numbers of minority-group workers have low paying jobs incapable of sustaining families; many working-class blacks and hispanics, unemployed and/or living on shrinking welfare payments, live in dangerous, crack-infested slums where housing is substandard and schools are virtual prisons. The Supreme Court has recently taken major steps to rescind legislation designed to correct racist inequities in employment. Murderous police violence against black and hispanic youth iscommonplace in all the major U.S. cities. In many ways, working-class peoples of color in the U.S. live under fascist or near-fascist conditions.

On the other hand, the official rhetoric of U.S. capitalism is—or purports to be—anti-racist. Once in a while the press carries stories putting forward blatantly

reactionary theories about racial minorities—as in a recent *New York Times* article suggesting that blacks have a genetic propensity to tuber culosis—but in general overt expressions of racism are frowned upon. In recent years many prominent political and cultural figures—politicians, sports commentators, comedians, journalists—have been severely taken to task, even fired, for maligning minority groups.

Gone are the days—at least for the moment—of the George Wallace/Strom Thurmond-type racist politician; "sensitivity" is now a requirement for advancement in the political arena. Peoples of color—and anti-racists of all colors—are continually encouraged to believe that, despite continuing inequities, American society has become less racist. The *Cosby Show* and its college-campus spin-off, *A Different World*, testify to the availability of the American Dream to blacks of the "right" moral character and background. Jesse Jackson did well in his bid for the Presidency; Martin Luther King, Jr.'s birthday is widely celebrated as a national holiday; schools—at least in inner cities!—devote the month of February to studying black history. On college campuses—particularly the relatively elite schools where the sons and daughters of the wealthy receive their training as future "leaders of society"—there is a major drive to open up fields such as literature and history to the study of black, hispanic, Native American and Asian-American writers and cultural figures. Many peoples of color in the U.S. may live under near-fascist conditions, then, but the culture of the nation as a whole is far from fascist.

An analysis of the causes for this contradictory admixture of reaction and liberalism is beyond the scope of this movie review. Future issues of THE COMMUNIST will address the issues of racism and racist ideology from a variety of angles. What will be explored here is the role that the movies play in inculcating a range of ideas about race and racism that end up supporting and perpetuating existing social relationships.

While it is crucial that Marxists not be heavy-handed in their description of how this ideological work is accomplished—the formulation that "the ruling class pushes racism through such-and-such a movie" is unnecessarily crude—it is also important to recognize that *movies, along with TV and radio, play a vital role in legitimating the status quo among large numbers of people.* All movies do not do this in the

same way. Some (e.g., *Rambo*) are more or less direct and cynical attempts to promote U.S. government policy. Others (e.g., *Platoon)* represent the limits that liberals come up against when attempting to explore the reasons for and effects of suffering and oppression.

Whether conservative or liberal, however, *movies that receive mass distribution promote ideological standpoints that are at least acceptable—and often welcome—to the controlling interests in capitalist society*—which are themselves, of course, not monolithic, but constituted by a range of political perspectives.

A brief examination of some currently popular movies about racism reveals a spectrum of ideological positions and illuminate the ways in which non-fascist (even apparently anti-racist) works of culture can end up legitimating near-fascist and even fascist social relations.

Mississippi Burning is, of the three movies discussed here, the most obviously right-wing. To be sure, it publicizes the case of Cheney, Schwerner and Goodman, three civil rights workers murdered by the Klan, and contains some useful footage representing Klan violence. The film thus has a certain educational value to viewers never previously exposed to images of the 1960s South.

But it contains many distortions of the history of the Civil Rights movement and confirms a fundamentally law-and-order set of social values. The FBI, which routinely harassed civil rights workers and even engineered the Klan murder of Viola Liuzzo, a voting rights volunteer in Alabama, is portrayed in the film as a principled institution, committed to defending democratic values and hunting down the killers of the three young men. There are fleeting glimpses of the mass marches and demonstrations that sparked Southern sheriffs and Klansmen to their vicious acts, but the movie offers no representations of black participants in the movement. Its "heroes" are two white cops, and the tougher one—a former sheriff somewhat implausibly turned defender of black rights, played by Gene Hackman—is portrayed as the more sympathetic of the two, since he will resort to all sorts of violent and illegal acts in his crusade to hunt down the killers.

The political messages embedded in *Mississippi Burning* are fairly straightforward: whites, not blacks, have been the principal fighters for racial justice; the federal government is the

best friend blacks have ever had; and even tough cops have a heart of gold.

Mississippi Burning has a certain liberal appeal in that it "courageously" admits to the horrors of racism in the American past and positions the viewer to identify the "good guys" as enemies of racism. In this sense the movie is part of the official anti-racist discourse currently popular with the ruling class.

But in its advocacy of support for "realistic" cops "forced" to resort to violence and illegality, the movie takes away with one hand what it gives with the other. Like *Miami Vice*, the popular TV series of a few years ago, *Mississippi Burning* positions the viewer to identify wholeheartedly with the men in blue. The implications of this message for legitimation of current police practices in inner cities are not too hard to figure out.

Glory is in many ways the liberal antidote to *Mississippi Burning*. Accurately documenting the important—and largely unrecognized—contribution in the Civil War by black troops, the movie celebrates the heroism and commitment of the Massachusetts 54th, the first black regiment to engage in Civil War combat.

Where *Mississippi Burning* focuses exclusively on the activities of whites, *Glory* devotes attention not only to the story of Robert Gould Shaw, the young white abolitionist who was appointed to lead the 54th, but also to the stories of three black volunteers—one an intellectual who learns his kinship with the masses; another a young rebel who continually questions the meaning of "freedom" for blacks in a racist society; and another a wise older man who provides guidance and leadership to his younger fellow-soldiers.

Blacks are pictured as agents in making their own fates, not just as passive victims; the movie is part and parcel of the "new history" celebrating the achievements of previously ignored and marginalized social groups. Because of its unvarnished portrayal of battlefield carnage, *Glory* is hard to watch. But it also makes its viewers feel good, elevated to a higher moral plane where anti-racism becomes conflated with heroic self-sacrifice. The viewer leaves—at least, is intended to leave—the theater feeling that here, at least, was one U.S. war that it was worth dying in,

where "glory" is not an ironical concept.

But it is precisely this good feeling that is, on closer scrutiny, politically suspect. For much of the power of the resolution to the movie—which first pictures Trip, the young rebel, seizing the flag he had previously spurned, and ends with his and Shaw's bodies side by side in a ditch—derives from a sense of relief that he has finally identified himself with the cause represented by the flag.

The conflict between him and Shaw—and, symbolically, between rebellious black insurgents and the liberal establishment—is thus resolved through the *rebel's* "change of heart." The larger political issues at stake in his earlier refusal to carry the flag are conveniently forgotten.

Containing sharp historical contradictions within the format of an easily packaged "moral" conflict, the movie thus perpetuates the liberal illusion that inner personal change is the key to social transformation.

Moreover, it positions the viewer to experience a renewed sense of patriotism: even if the U.S.'s role in Vietnam wasn't so noble, we should recall that the nation is nonetheless founded upon high principles. When we apply this sentiment to Bush's rhetoric about the recent Panama invasion—which, interestingly, he dubbed a "good war," and the media pundits are now calling a "popular" military action—the implications of *Glory* are not far to seek. Unemployed and disaffected black youth—modern versions of the movie's young rebel, who is, interestingly, quite anachronistically given a very twentieth-century style of black speech—can find their identity and manhood in the ranks of Uncle Sam's forces. According to *Glory*, it is once again sweet and noble to die for one's country.

To point out the role that *Glory* may possibly play in inspiring young blacks to serve the flag is not to claim that the screenwriters and director of the movie were taking orders from the ruling class, or that they necessarily intended the movie as recruitment for the armed forces. But it is to note that the movie's liberalism confines its representation of conflict within certain carefully determined limits. Rather than signifying any fundamental antagonism between the interests of oppressed blacks and the American political and economic system, the movie co-opts the anti-racist anger that prompted blacks to fight in the Civil War into being simply one

more rich and vital part of the "American heritage."

When it first appeared, Spike Lee's *Do The Right Thing* raised hopes among anti-racist moviegoers that it might avoid the usual Hollywood formulas—liberal or conservative—and offer a more hard-hitting look at the realities of racism in the U.S. And the film does succeed in avoiding a number of the pat ideological maneuvers characterizing most products of Hollywood. The commentary of the movie does not hinge upon a "plot" that will reconcile difficult social issues by reconciling characters to one another. Moreover, Mookie, the movie's main character, while sympathetic, is anything but a "hero." Lee's decision to have Mookie pick up the money that Sal throws down at the end of the movie clearly signals the director's desire not to encourage in the viewer a blindly emotional identification with the main character. Also, Lee's closing placement of the quotes from King and Malcolm on the screen is clearly intended to provoke thought, rather than to discourage intellectual analysis, as occurs in most Hollywood films.

In spite of its refreshingly different style, however, *Do The Right Thing* ends up reinforcing dominant bourgeois views about race and racism. The film's purported "hard-nosed realism" masks a remarkably shallow political analysis, which itself is founded on a fundamental cynicism about the possibilities for fighting racism.

The action of the movie—which culminates with a crowd of blacks burning down the white Sal's pizza parlor after the police kill a black man there—is essentially incoherent. Sal's calling Radio Raheem a "nigger"—the act that sparks the fight in the pizza parlor—is totally out of character (unless, of course, you assume that all whites, even apparent anti-racists like Sal, "really" think this of all blacks). Mookie's decision to lead the charge against the pizza parlor by trashing its front window is equally out of character.

Lee's point, no doubt, is that racial tensions are so much a part of American life that even well-intentioned individuals aren't exempt from identifying with "their own group." In one almost surrealistic "riff," we see one ethnicity after another spewing forth racist epithets against other groups: Lee clearly tries to show the absurdity of this behavior. The intensifying heat that builds up throughout the movie is thus probably intended to symbolize

the pressures building up in the inner cities today.

But by depicting the film's violence as having no coherent assignable cause, Lee forces the viewer to fall back upon the notion that racism is so deeply embedded in people's psyches that change will never be possible.

Moreover, Lee skillfully deflects the viewer's anger against the cops—who never take the rap for killing Radio Raheem, from either the crowd or the movie's director—onto some vaguely conceived sense of social evil.

The formal innovativeness that permits Lee to pose issues in a more complex way does not end up producing any particularly far-reaching political analysis. Indeed, the film's avant-garde quality becomes a pretentious posture, masking worn-out cliches about "human nature" beneath a pseudo-dialectical open-endedness.

In American society at this time, there is no need for the ruling class to organize itself in a class-conscious way around a single cultural "line." As inter-imperialist contradictions intensify and it becomes necessary to impose harsh discipline upon the U.S. working class, we may well witness the development of virulently racist, sexist and anti-communist propaganda such as was manufactured for the masses in Nazi Germany. But the capitalist class prefers to rule covertly through a bourgeois "democracy" that is accompanied by a pluralistic, "democratic" mass culture affirming an apparently "humanistic" liberalism.

The film-makers who participate in this enterprise are "free" to take ideological positions along what at first glance appears to be a fairly broad political spectrum: these are not (yet) the days of monolithic, totalitarian culture.

As we have seen, however, with regard to the question of racism there are limits beyond which the filmmaker cannot go. Racism cannot be shown to be grounded in the economic and political imperatives of capitalism. The anti-racist anger of individuals must either resolve itself in gestures of reconciliation with dominant institutions or dissolve itself in violence against other rank-and-file people. And the state must emerge as essentially beyond criticism.

At the same time that they purport to show sympathy for, and solidarity with, the victims of racist oppression, then, current films about racism distort and obscure its causes and propose—explicitly or implicitly—

false ideas about whom we should look to in order to fight it.

In short, these supposedly anti-racist films breed strong feelings of confusion and powerlessness—at the same time that they assure us that the leaders of our culture are deeply concerned about racism and want to raise people's consciousness about it.

To the extent that the U.S. capitalist system is succeeding in producing a working- and middle-class public "sensitized" to the problem of racial injustice but willing to go along with the many manifestations of fascism in the inner cities, this achievement is in no small measure due to the effects of mass cultural products such as those discussed here.

By N. N.

PL's OPINION

Excerpts from recent CHALLENGE/DESAFIO editorials

THIS IS AS GOOD AS IT GETS UNDER CAPITALISM

In one sense, those who announce that this is the best of all possible times are right: this is as good as it gets under capitalism. Capitalism is not able to deliver better times than what we have now, pathetic as they may seem. It can only get much worse.

Up to a century ago, when capitalism was still young, it could deliver economic growth...Now it can no longer even deliver this. The 1980s was a pathetic decade. The standard of living fell for people in countries with one-third of the world's humanity: 600 million Africans, 400 million Latin Americans, 200 million Middle Easterners and nearly 500 million in the Soviet Union and Eastern Europe. However there has been a significant increase in the percentage of the total wealth the rich own.

U.S. economists brag that income has been rising for the U.S. population, but they don't bother to explain that the increase is due, purely and simply, to people working more, by their giving up their leisure to work overtime or two jobs. Our Party has campaigned for years around the slogan of "30 hours work for 40 hours pay." What the capitalists have done is to make us work an average of about sixty hours per family in order to maintain the standard of living we would expect from forty hours. (*March 14, 1990*)

WHAT WOULD BE DIFFERENT IF COMMUNISTS LED UNIONS?

As CHALLENGE has shown over the past few months, the increasing competition between the world's auto bosses, and the deepening crisis of overproduction, has resulted in major strikes of auto workers in Mexico, Britain and Korea.

The question is, would the outcome of these economiuc strikes be all that different if we communists led them? The answer is, probably not in the economic sense. But they would be much different po-

litically. The main difference is that if we led these strikes, the workers would have won more communists out of it. More strikers would have been won to join the Party. That is why communists lead strikes, to build the Party, so we can lead armed insurrection against the ruling class for communist revolution. That is the only way to make lasting gains, economic or otherwise.

The very nature of trade unions, of collective bargaining with the bosses implies compromise between us and them. Unions are reform organizations, no matter who leads them, and reform struggle does not lead to revolution. In this period of capitalist decay, when the bosses grow weaker and more desperate, lurching to fascism and world war, where do we want to be? Where does the working class need us to be? Organizing for another nickel or organizing to overthrow the rulers and their system? (*April 11*)

GOVERNMENT ROBS WORKERS' PENSIONS

The Reagan-Bush team entered the 1980s pledging to "cut taxes." And they did. Personal income taxes went down 6%. Yet in 1990 federal taxes make up 20% of the gross national product, the same as in 1980. How come?

The answer is that Social Security taxes have been rising steadily, going from 6.13% of a worker's gross wage to 15.3%. Three-fourths of the country's workers pay more in Social Security taxes than they do in income taxes. This has produced a 23% increase in Federal revenues. And this tax is only on wages. The sources of income for the rich, like interest, dividends, capital gains, and rents are not taxed by Social Security.

Thus, the Reagan-Bush "tax cut" is no tax cut at all. It has merely shifted the burden from income taxes to Social Security, from the rich to the poor. Taxes have gone way up for workers while plummeting for the wealthy and their corporations.

Social Security taxes are not put away to pay for our individual pensions. Rather they are used to pay for current retirees. Any surplus is used however the government cares to. This year the surplus will be $65 billion, and is used to pay for the huge national debt rung up by armaments spending. Add this huge shift of the tax burden onto workers to the decline in real wages (down 15% since 1973) and you can see why U. S. workers are doing a lot worse. (*March 28*)

PLP *SCHOOLS FOR REVOLUTION:*

A Proposal For Party Training

Many people in and around PLP need training in the party's line and methods of work and in Marxism-Leninism, but for one reason or another, they have trouble reading. This is a result of the nation's rotten school system. How are we to overcome this, and educate our base? A party committee makes the following suggestions.

To begin with, one night a week would be announced as School Night at the PL headquarters with two classes at 6 p.m. (and if it's convenient, two more at 7:30). The idea would be to attract primarily but not exclusively the young people (high school age) around the party...

The format of the classes (as well as their content) would be creative and revolutionary, with students working collectively in teams and spending as much time as possible outside the classroom, interviewing people and otherwise investigating the subject matter. Classes would make use of movies, art, music wherever possible. As part of each class, each team would produce and distribute a leaflet relevant to the subject mattter. Guest speakers would be brought in, sometimes to be interviewed by the class, and dramatizations and debates would be used wherever appropriate. School textbooks might be particularly useful as objects to be dissected.

In that sense, there would be no set lesson plan, and each class would—while covering the same basic points—vary depending on the experience of the participants, both "students" and "teachers."

The idea would be to introduce students to the basic principles of Marxism-Leninism and the line of the Party as they apply to their lives. (For those who have had some previous study, the classes would be a valuable review.) Thus, we would aim to discuss such concepts as the class nature of society, the role of the state, the necessity for armed struggle, the obstacles to revolution (revisionism, racism, nationalism), the role of the party and internationalism, the central role of ideology and what Marxist-Leniniist ideology means (including the dialectical outlook), the economic laws of society, etc. But these would be covered in classes each of which would have a very specific theme, immediately relevant to day-to-day lives of the participants. Some thematic examples:

☐ **Martin, Malcolm and Paul.** (A look at the civil rights movement, racism, pacifism, nationalism and internationalism, through reviewing the lives and writings of Martin Luther King Jr., Malcolm X and Paul Robeson.) The class would include a report on the Civil Rights movement and the Party's role...interviews with those who were in Monroe, N.C., etc...might begin with a class outing to see *Mississippi Burning* and make a follow-up discussion, including the real role of the FBI...make use of videotapes of *Eyes on the Prize*...writings of all three of the principals, records of Robeson's songs, interviews with people who knew all three (the old *Challenge/Desafio* interview with Malcolm's widow) and others who took part in the Civil Rights movement...and a discussion with someone describing the development of the Party's line...

☐ **What If They Gave an Election and Nobody Came?** (Focusing on the role of the state, the class nature of society, reformism, revisionism.)

☐ **Who Rules the Schools?** (Structure, superstructure, role of ideas.) *See proposed detailed lesson plan.*

☐ **Homeless in the "Home of the Brave."** (Political economy, history of militant reform struggles in this country...Haymarket, the

bonus marchers, the Flint strike and other sit-ins, beginning with "who are the homeless" and "why?")

☐ **After School: Go to College or Join the Army?** (The role of college and the role of the army in a class society. Contradictions. Start with what each person is going to do, or would do given the choice...letters and interviews with people in both situations...leaflets to college students, GI's and high school students...PL's line.)

☐ **History Equals Revolution.** (***The history of all hitherto existing society is the history of class struggle***—Marx) Understanding history by learning about the great working people's rebellions from Spartacus to Wat Tyler to Nat Turner to the Bolsheviks to the GPCR and John Brown, the Paris Commune...rebellions in the military...school rebellions...what do high school and junior high school and college textbooks teach about these rebellions and about history? What makes history happen?

☐ **The Media: The Money and the Message.**Movies. The Press.

☐ **Who Won World War II and Why?**

☐ **Marxism and Morality: What Makes Something Right or Wrong?** (Here are ten questions you may have to decide on, how do you do it? The Ten Commandments and the Golden Rule...Self-interest, etc...)

☐ **The Klan, Nazis and Skinheads: Who Are These Guys? Where Do They Come From? Are They For Real?**

Who Rules the Schools?

(A proposed lesson plan for one of the courses in PLP's new School for Revolution intended as a preliminary suggestion only, to set the tone and introduce some specific methods. It may—and should—be amended, added to and adapted to the conditions and needs of particular classes and groups of students.

SESSIONS I & II: ***Film*** (or videotape): *The Blackboard Jungle* (or *Stand and Deliver*)

Questions for Discussion:

- Was the film realistic?
- What made Sidney Poitier act the way he did?
- What made Glenn Ford act the way he did?
- Why did the students in the movie go to school?
- Why do (did) you go to school?
  To Learn: Why? What? Who Decides?
  It's the Law: Why? When and Why Did It Become Law? What If It Weren't the Law?
- A discussion of everyone's school experience.

SESSION III: ***Textbooks***

Bring in Textbooks (high school, junior high, or elementary school history texts.)

A. The class divides into teams of four or five people per team.

B. Team meetings: Each team discusses one or two textbooks and their treatment of a particular subject in history: e.g. John Brown's "Raid"; Reconstruction; the Russian Revolution; the Rise of Capitalism; U..S. Labor Unions.

C. Each team reports on its discussion.

SESSION IV. ***Questioning the Teacher(s).***

A PLP member or friend who is a teacher (or two teachers) are guests at this session.

A. Teacher(s) present a history different from what the textbooks contained. How do you know which is correct? Where do you go for better information?

B. Class interviews the teacher—like a press conference. Some possible questions might be: Who decides on textbooks? Who pays for them? Who pays for school buildings to be built? To be maintained? (Who does the building and maintaining?) Who decides

what you will and can teach? What if you try to teach something different? What would you like to teach?

SESSION V. ***School Is A Class Act.***

HOMEWORK ASSIGNMENT: Interview parents, friends, relatives on what they think schools are for. Invite a friend to this session.

A. Report on interviews.

B. ***Schools Are A Class Act: A Communist View.*** Discussion led by PLP leader on the class nature of society and the role of schools. How schools would work in a communist society. Organizing in schools for revolution.

SESSION VI. ***Making Your Own School.***

Team meetings where each team plans what they would teach if they could make their own class or classes.

SESSION VII. Invite Friends (from school, if possible.) Each team presents its class.

Discussion: Why Can't We Just Set Up Out Own Schools? What Is To Be Done?

SESSION VIII. ***Organizing In Schools.***
Discussion of Issues, Approaches, Role of School Organizations, etc. Each Team Draws Up A Leaflet.

SESSION IX. ***Workshop on Leaflet-Making.***

SESSION X. ***Distribution of Leaflet(s) at evening high school.***

SESSION XI. ***Final Session:*** Discussion over dinner (pizza, Chinese restaurant) or at a picnic outing. Value of class, role of the Party. Criticism and questions. Where do we go from here?

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