
THE ISO ON STALIN – A CRITIQUE¹

In keeping with *Strange Times'* policy of bucketing nonsense from the pseudo left, this issue is devoted to examining a central dogma of the International Socialist Organisation, namely that relating to Stalin's Russia. While the discussion does have a wider relevance to the extent that it relates to the whole issue of what went right and wrong in the Soviet Union and the nature of socialist revolution, the primary aim is simply to show once again how the ISO is not up to scratch in the ideas department.

When you first start reading stuff by the ISO (or the Socialist Workers Party in Britain) on the Soviet Union of the 1920s and 30s you feel there must be something you've missed, that the apparent stupidity has to be deceptive. However, it does not take long to realise that no deception is involved. It really is genuinely silly. The silliness can be divided into two categories – those they share with other trotskyite groups and those which are uniquely their own.

What they share with other trots is the habit of holding two mutually exclusive views at the same time. They claim in the same breath that Stalin betrayed the Russian revolution and that socialism in Russia in the absence of a revolution in Europe was impossible. They pull a similar stunt with Stalin's foreign policy. On the one hand they claim that Stalin let revolution abroad go hang and geared his foreign policy to the narrow priority of preserving (and expanding) his own regime. On the other hand they admit that after about 1922, revolution in the capitalist countries was no longer an issue – capitalism had stabilised. In other words by the time Stalin came to power there was no longer a revolution abroad for him to sabotage or neglect.

Underlying all this muddle is the fact that the main problem for trotskyites is their distaste for the situation the Soviet Union found itself in rather than Stalin's program for dealing with it. This is manifested in the fact that they had no alternative except heroically launching forth to support some non-existent revolution in Europe. They were not prepared to accept as socialist or progressive the measures necessary to ensure

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economic and social development in Russia. It also shows up in the fact they can't quite sort out whether they are claiming that Stalin was the cause of the degeneration or whether he was simply a response to conditions that shouldn't have been – reality was unfair!

Quite often Stalin is denounced for doing what was obviously necessary given the conditions. Like a child throwing a tantrum, they denounce reality for being wrong; it shouldn't have been like that. The following quote is a classic example of this. (It is taken from an article by Binns in *Education and the Modern World*, Socialist Workers Party, London 1987, page 14.)

The extreme backwardness of Russia in an age of imperialism forced it to industrialise rapidly. If the revolutions in Germany and elsewhere had succeeded in the early 1920s, plenty of means of production and skilled labour could have flowed into Russia [?!] to accomplish this task. But when the perspective changed, from stressing the need to spread the revolution internationally to stressing the building of 'socialism' in a single country, as was proposed by Stalin in 1924, the situation was completely reversed. If industrialisation was to take place in Russia in isolation, this could only be by forcing many of these peasants off the land into the mines and steel mills.

Notice how a change in reality – the defeat of the revolution in Europe – is transformed into a devilish change of perspective by Stalin!

Where the ISO differs from other trotskyite groups is in their characterisation of the Stalin regime as state capitalist rather than as a 'deformed workers state'. The post-Stalin regimes are similarly characterised because they were seen as a straight continuation of the earlier regime in all essential respects.

According to the ISO the Soviet Union was capitalist under Stalin because the aim of production was accumulation and this is what distinguishes capitalism from socialism or communism. Under the latter on the other hand production is to meet people's needs.

Binns explains why capitalists accumulate as follows:

The drive for accumulation as a means to still greater accumulation, which is the essence of capitalism, is due to two main factors. Firstly, workers are separated from the means of production. If they controlled production as a whole, it would be

subordinated to use, to consumption. In so far as they decided to accumulate, it would only be as a means for the further end of consumption. Secondly, there is competition between the capitalists. Without it each capitalist could decide freely whether to consume the surplus products, to accumulate it, or even to return it to the workers who created it. It is competition which makes him accumulate and it does so by threatening him with extinction by rival capitalists if he doesn't. That is why 'competition makes the imminent laws of capitalist production to be felt by each individual capitalist, as external coercive laws' [Marx in Capital, volume 1].

This is not bad as an explanation of why there is accumulation for its own sake under capitalism. However, the attempt by Binns and his confreres to characterise the crash industrialisation of the 1930s in Russia as capitalist accumulation is misconceived. They make their case on the basis that the two conditions applied: workers were separated from the means of production and competition still existed through military or strategic competition with the West. Let's examine these in turn.

Binns tells us that Stalin took away workers control over the means of production. "The last remnants of workers' control over production, the 'Troika', was abolished in 1929. In its place stepped the manager whose orders were to be unconditionally binding on his subordinate administrative staff and on all workers."

The first point to make here is that even if you had all the troikas and workers' councils that your heart desired worker appropriation of the means of production is always going to be very limited during the early phases of socialism, particularly in an economically backward country. Appropriation is not essentially a question of establishing a set of formal institutions. Rather it is bound up with the abolition of the division of labour which is a process requiring an entire historical epoch. For the individual worker a prerequisite for work being a controlling rather than controlled experience is the acquisition of the higher skills and abilities associated with organisation, communication and design. This would only be fully achieved with the transition from socialism to communism. In the Russia of the 1920s and 30s when the average worker was an illiterate ex-peasant, it was unavoidable that production was run by a caste of engineers and managers. In fact because of this backwardness, production

organisation would in some respects need to be more hierarchical than it is in present day capitalist industry.

You can argue about whether Stalin could have taken things further, however, the extent of repossession would still be severely limited.

Now how does Binns show that the crash industrialisation of the 1930s was driven by capitalist accumulation? While the forms of competition we generally associate with the drive to accumulate are absent there is a new form – strategic or military competition with the West.

The bureaucracy's monopoly of foreign trade enabled it to seal off Russia from *price* competition. But *strategic* and *military* competition completely dominated the process of capital formation in Russia from the moment accumulation became the bureaucracy's central concern in 1928. From the beginning of the Five-Year Plans armaments dominated the accumulation process. For instance in machine-building plants, which are probably the best gauge of the development of accumulation, already by 1932 munitions plants accounted for as much as 46 per cent of the total iron and steel consumed. By 1938 this figure had risen to a staggering 94 per cent, and virtually all other machinery plant construction had ceased. Accumulation in the period before the outbreak of the Second World War, in 1939, was dominated by strategic and military competition with the Western nations.

The remark about 'price competition' is muddled. In the home market the Soviet government sealed off *all* competition, price or non-price. As for exports, the kind and level of competition faced would vary with the market conditions for each good and this was beyond the control of the Soviet government.

This notion of military or strategic competition being a form of capitalist competition is mumbo-jumbo. It is market competition that underlies capitalist accumulation – the protection of the exchange value of capital in the face of the threat from competing capitals. We are not talking about any old competition – for example, there has been military competition throughout history but it was not capitalist competition.

Certainly military power can be used to defend or expand a country's markets and to destroy the market power of others.

However, in this role it is a weapon or adjunct of capitalist competition but not the thing itself.

So given that the only field where the Soviet economy was in competition was in its export markets, you would have to show that its military power was being used, or about to be used, as a weapon in that competition. This of course is nonsense. It was a backward country with limited connections with the rest of the world economy and minimal reliance on export earnings. Its ability to industrialise during the 1930s while the capitalist world stagnated in depression is an indicator of how limited its reliance on external trade really was.

The policy of industrialisation and arms build up in the 1930s tells you nothing about whether the Soviet Union was or was not socialist. Just as capitalism develops modern industry, you would also expect a revolutionary government in a backward country like Russia to undertake a program of industrialisation because modern industry is a prerequisite for socialism and communism. As for emphasising military production, Nazi aggression confirmed the wisdom of this policy. Why does preparing for the inevitable Nazi onslaught rate as capitalist accumulation? It is what any self-respecting revolutionary government would have done. You would expect a revolutionary regime to 'compete' militarily with a hostile capitalist world.

OK the ISO's case for characterising Stalin's regime as state capitalist is unsatisfactory but are they still right even for the wrong reasons?

They are at least half right in that socialism itself is a form of capitalism, a form presided over by a revolutionary government that leads a protracted struggle to transform society from capitalism to communism. Furthermore, in the Soviet Union, the Bolsheviks had the even more rudimentary task of converting a country of illiterate peasants into a country of unskilled and semi-skilled factory workers. In other words the task of revolutionaries in Russia was basically to create capitalism. The extent that the capitalist stage could be jumped was constrained by the limited scope for eliminating the division of labour.

However, having said this the regime was socialist in the sense that it generally speaking did everything revolutionaries could be expected to do in the conditions in which they found themselves

and given the level of understanding and limited experience at the time. In particular it expropriated the bourgeoisie and collectivised agriculture. This enabled the Soviet Union to rapidly industrialise while the capitalist world was in depression and provided a socialist economic base which was a prerequisite for more fundamental changes in relations between people at work and in society generally.

The capitalist label appears much more appropriate for the post-Stalin period. While the Stalin period was essentially one of dramatic revolutionary change, the subsequent Khrushchev and Brezhnev periods were characterised by stagnation and conservatism. There was no ongoing radical change but rather an entrenchment of the division of labour and the private expropriation of resources by a minority by every conceivable legal or illegal means. In this way socialists property forms became an empty shell and in fact a fetter to the proper working of capitalism which required the full development of bourgeois property rights. In this sense the Soviet Union had become totally capitalist.

Weren't there better alternatives to Stalin? Not really. He was the best of a generally poor lot. Lenin (who died in 1924) was the only one who gave strong leadership in ideas and action. There was nothing exulted about the 'Bolshevik Old Guard' that Stalin purged and their policies were moronic and would have lead to failure. Stalin on the other hand was prepared to take the necessary hard decisions on collectivisation of agriculture and industrialisation.

For those who are not radically inclined there was of course the non-socialist alternative. However, that alternative was not liberal democracy but a fascist White regime.