
THE SOVIET BLOC WAS CAPITALIST

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One of the critical tasks in resurrecting revolutionary politics is to refute the generally accepted belief that the former Soviet Union and 'eastern bloc' were socialist. Both the 'left' and right espouse this view in order to discredit communism. It reveals a failure to understand what socialism is essentially about.

In this article I will argue that these regimes were capitalist and anti-communist in character and therefore communists have nothing to apologise for. They were regimes that supplanted a previous socialist one and restored capitalism. This occurred in the 1950s with the rise to power of Khrushchov.

The main difficulty people have in recognising the capitalist character of these regimes is that they continued to call themselves communists, and retained some of the institutional trappings associated with the earlier socialist period such as state ownership and the ruling 'communist' party. It was not a capitalist restoration based on privatising state enterprises or bringing back the stock exchange. It was a capitalism that slipped into the empty institutional shell of socialism.¹

There is nothing unusual about phoneys claiming to be communist, socialist or revolutionary. History is full of examples. In 1914 most Marxist parties in Europe betrayed the revolution by supporting their own governments in the world war. The Mensheviks, a faction in the Russian party, sided with the counter-revolution in the Russian civil war. Most of the Western Communist parties followed Khrushchov's lead and abandoned revolutionary politics. Locally we had the example of the Communist Party of Australia. It is extremely difficult to believe that this now defunct organisation once had some connection with communism.

¹ In China the restoration of capitalism after Mao's death was more obvious. Communes were scrapped, private industry was introduced on a massive scale and state enterprises underwent extensive market 'reforms'. Deng Xiaoping was the darling of the West and praised as a capitalist roader. It was only in 1989 when his fascism became particularly visible that they started calling him a communist.

So how do you look beneath the surface appearance and determine whether a country really is socialist? It is not all that difficult. You just look to see if there is a revolution going on. Socialism by its nature is a process of continuing revolution. The political seizure of power that we normally refer to as the revolution is actually only the first step.

After the seizure of power society is still essentially capitalist (or, even worse, semi-feudal in backward countries) and has a long way to go before it becomes essentially communist. In this early stage, the only reason for saying that society is anything more than capitalist is that there is a revolutionary state and a social movement struggling to transform these conditions. The transition is far more than simply the state taking over industry from the old capitalists. It requires a major transformation over a number of generations in how people think, their ways of doing things and their abilities.

We are looking at changes that cannot occur overnight. In particular, the average person cannot suddenly change from being a slave to being a self-empowered individual who has appropriated the full range of human abilities and can take on the activities that were previously the exclusive preserve of elite groups. They do not have the education or training; and there is still the problem of slavishness, lack of self-confidence and the small mindedness of people who are used to being subordinates. There is also the need to learn through a tortuous process of trial and error how to organise society without bosses and hierarchy. To put it graphically, it is not easy to soar like an eagle when you have spent your life confined to the chook pen.

So in the mean time the division of labour as we know it remains pretty much intact; elites still remain in politics, management, culture and academia; and significant differences in pay remain.

The process of transformation is a revolution, not a smooth evolution. It involves a class struggle because every attempt at change will be resisted by those who want to retain their privileged position.

It is worth noting that social change in the past required periods of transition. For example, the transition from feudalism to modern capitalist society took about 500 years. Fortunately the transition to communism will not take that long.

Soviet Union under Stalin

During the socialist period in the Soviet Union under Stalin there was a process of revolutionary change and struggle. The bourgeoisie were expropriated, agriculture collectivised and a new socialist administration created to replace the Czarist one.

Red terror was imposed against counter-revolutionaries, saboteurs and corrupt officials. And the general principles of Marxism-Leninism were upheld - quite an achievement when you look at the record of the left since.

While the rest of the world stagnated in depression and indulged in the dangerous game of appeasement, the Soviet Union underwent a massive program of industrialisation and preparation for war. This was followed by the bitter but victorious struggle against the Nazis.

There was nothing dull about the Stalin period! It did, however, have its major limitations. Extreme economic and social backwardness limited what was possible. Before a new society could be created a modern industry and agriculture had to be developed. And the average factory or cooperative worker was not a modern proletarian but a semi-literate peasant.

There were also serious flaws in Stalin's theory and practice. He failed to sufficiently mobilise and rely on the masses with the result the the revolution did not proceed as far as conditions allowed. He failed to properly distinguish between contradictions between the people and the enemy, and those between the people. With the expropriation of the bourgeoisie and kulaks (rich peasants) he mistakenly claimed that class struggle within the Soviet Union was over, except for a few isolated counter-revolutionaries.

After Stalin

After his death did the new leadership push the revolution forward from where Stalin had left off (including correcting his errors)? No, they put the revolution in reverse gear.

The legacies of capitalism were consolidated and expanded. One person management became firmly entrenched. Regulation of industry became ever more bureaucratic and the initiative and

enthusiasm of workers was stifled. Wage differentials were increased rather than reduced and membership of a well paid elite became the object to aspire to. The division of labour was left untouched; and involvement in social, political and cultural life was confined more than ever to a minority elite.

Collective ownership of the means of production became a farce. They were effectively private property as high officials employed them for their own benefit through bonuses, perks and simple corruption. Gross inefficiencies in the use of resources revealed a total lack of interest in employing them for the common good.

Bureaucrats and party members had no interest in transforming society. They were generally careerists intent on scrambling up the existing hierarchy for personal gain. With glasnost and perestroika and now Yeltsin it is good to see that the vast majority have stopped even pretending to be communists. The whole system, with its entrenched, traditional career structures and elitist education, reinforced the traditional social division of labour.

The concept of socialism was gutted of any real meaning. It was basically equated with economic development. The theory of productive forces reined supreme. The role for workers was to work hard, live their mundane lives, feel proud of Soviet economic progress and be grateful for the occasional extra crumb thrown their way. Any fundamental transformation was relegated to the distant future. This was Khrushchov's 'goulash communism'. To quote Mao - when the sputnik went up the red flag came down.

Even in purely economic terms this political course proved a total failure as the corruption of the system and military spending saw economic growth slow to a crawl during the 60s and 70s, and vanish in the 1980s.

In foreign policy the regime's reactionary features were first revealed through appeasement of western imperialism (Khrushchov's 'peaceful coexistence') and then through an imperialism of its own in Eastern Europe, Africa and Asia, together with massive arms expansion way in excess of defence needs.

The fact that these societies were not in transition to communism is also reflected in the fact that there was no mass movement in

society holding communist ideas and keen to struggle for social transformation. Any mass interest in communism disappeared long ago. This indifference was assisted by the ruling elite who made a bastardised form of Marxism into a state religion to legitimate their rule.

Conclusion

By way of conclusion consider these points:

(1) You cannot describe as socialist regimes run by reactionaries opposed to the tasks of socialism.

(2) You cannot describe a society as socialist when it is so bourgeois in nature that socialist institutions such as economic planning and the restriction of market relations act as a fetter to the proper functioning of the economy. Put simply, if the average manager is a self seeker and the average worker an alienated and demoralised wage slave the economy cannot do without markets and the profit motive. In their absence you have bureaucratic bungling, corruption and stagnation.

(3) You cannot describe regimes as socialist when their overthrow by bourgeois liberalism represents an economic and political advance. Of course saying this is not to deny that it would have been better if they had been overthrown by a communist movement. But no such movement exists and so the point is rather academic. And anyway the emergence of a revolutionary movement will be easier under the new conditions.