

International Socialists

BULLETIN

No. 50

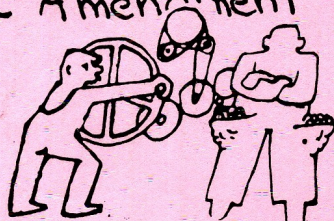
July , 1974

SPECIAL CONVENTION

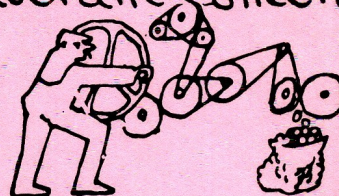
we **ISSUE** *every*

The CONTENTS of this issue consists entirely of Amendments to Convention Resolutions.

1. Amendment to "State of the Unions" -- K. Bradley
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The boss needs you,



you don't need him.

**SAVE MONEY - BRING THIS
TO THE CONVENTION
ALONG WITH YOUR COPIES
OF THE RESOLUTIONS!**

AMENDMENT TO STATE OF THE UNIONS

by Kevin Bradley

1. Page 4, last Paragraph, first sentence, which reads "Capitalizing on the relative quiescence of NEP, the labor leaders have gone further than at any time in the past to hold down militancy, originally a general move to the right by the bureaucracy."

Replace with: The response to the heightened inflation and the end of the NEP has been uneven. Some union leaders are willing to lead strikes, like the new leaders of the Amalgamated Clothing Workers, who fresh from the Farah victory called the first strike in 50 years. This was after the wildcat strikes in Allentown, Philadelphia and New York that followed the last contract settlement showed the ranks no longer wanted to tolerate the low wage position that resulted from the policy of submitting wages to arbitration. The Building Trades leaders have been quite willing to go for the traditional slogan of Gompers "More, More" while coming up with no real answer to the spread of the open shop contractors and the continued challenge of Blacks and Latins trying to get into the trades.

Replace last sentence on Page 4 which reads "A voluntary tri-partite arrangement similar to the Construction Industry Stabilization Committee (CISC) was set up in the food distribution industry with the enthusiastic participation of the Retail Clerks, IBT, and Amalgamated Meat Cutters, in anticipation of the end of controls."

Replace with: "In the retail food industry a voluntary Joint Labor Management Committee was set up between the Retail Clerks, IBT and Amalgamated Meat Cutters along with top management of the union chains and the former "public" representative of the Government's Food Wage and Salary Committee under the Cost of Living Council. The Committee is working towards productivity bargaining, the end of union whipsawing between regions, the cutting down on local union autonomy by having top union bureaucrats impose settlements. It was nursemaided by Federal Mediator Usery since the food industry had the highest rate of inflation (of course caused by exports, not food worker wages) and if the committee works it may serve as a class collaborationist precedent for other industry. It is also very important because it sets the political climate among food store workers the United Farm Workers have to work with on the boycotts.

Usery, coming from the Machinists, has revived the office of Federal Mediator and has intervened in many strikes. In Evansville, Indiana at Whirlpool he got the IUE leaders to put forward his draft contract to the ranks which they accepted, even though their officers opposed it. Usery has developed the neutral mediator ploy to a high art and many labor bureaucrats are more than happy to go along. Class struggle unionists must step up their efforts to expose the role of government mediation and its aim of maintaining labor peace for what it is.

2 Add to page 6 between 2nd and 3rd Paragraphs. Though in some ways more working people than in many years are against the Democrats as well as Republicans as being corrupt politicians, it would be false to say that Labor Party sentiment is really on the rise. The Democratic Party is not really seen as the enemy, as a vicious strike breaking force, nor is it seen as being unresponsive to labor which is coming under the blows of the bosses attacks and needs heap. It is possible that some liberal Democrats may come out for a limited form of the right to strike for public workers, wielding new support for the Democratic Party on the part of the officers and ranks of unions like AFSCME.

The Labor Party slogan remains then mainly educational, as we cannot propose organizing committees for a Labor Party at this time. Publications we are involved in should raise the need for a Labor Party when explaining the boss nature of the Democrats and Republicans, for we are mainly interested now is educating class struggle militants in the need for such a party. This, however, does not preclude causes or a few locals running independent campaigns in furtherance of the organizing efforts.

3. Page 7, insert between 2nd and 3rd Paragraph: The CP is the strongest "left" group in the unions. Today it is quite undisciplined, for example, in auto some CPers are in the UNC while others support the Auto Workers Rank and File Committee which voted for Woodcock. Today the CP is tending to build its groups around itself, like the National Steel Workers Rank and File Committee and its corresponding CP dominated groups in the many mills around the country the CP is in. The CP is based in more unions and has considerable more experience and Black and Latin members than any other group on the left. It is involved with the ILGWU retirees in New York, and in the Amalgamated Clothing Workers, the Mine Mill section of the Steel Workers, the ILWU, the UE, Meat Cutters, Teachers, 1199, District 65 Distributive Workers, Shoe Workers and many other unions. Its attachment to Moscow and the other Stalinist countries is ~~xx~~ still a liability but sometimes an asset, such as when the company gets orders from Eastern Europe, and because of the existence of "the land of socialism". The CP lacks the dynamism of the younger groups like the Maoists, but still has considerable strength. It supports Black Democrats like Coleman Young while calling for independent political action. It speaks of class struggle unionism and votes for Leonard Woodcock. Some bureaucrats it supports because they are for detente with Stalinist Russia. CPers are capable of anti-capitalist rhetoric and of race baiting opponents on the left, and CP bureaucrats are a particular species of "progressive bureaucrat" we have to deal with in places.

4. Replace 4th Paragraph on page 9 on the two wings of the labor bureaucracy with: ~~xxxxxxx~~

The international unions represent a continuum of policy between outright class collaboration and struggle, though as yet there is not union under a consistent class struggle leadership. At the left is the UFW and the UMWA. Their leaders actually organize and mobilize the ranks and the unorganized. In many ways they are more advanced politically than most of their members, but at times try to cool strikes and enforce contracts. Since all other unions are so bureaucratic and their rank and file movement is so weak, they inevitably turn to unions like the UAW for help. The UMW took the almost unyielding step of supporting Joseph Morrissey for election against the incumbent of the National Maritime Union, something none of the regular AFL-CIO heads would ever do.

Next on the political spectrum comes the unions lead by "progressive" bureaucrats often of a CP and less often of an SP background. These include District 65 Distributive Workers, 1199 Hospital Workers, United Electrical, and Mine Mill of Steel Workers, Meat Cutters, ILWU, and ex Social Democrats like Harold Gibbons and Don Peters of the IBXT. These officials are like the "left" labor leaders in Britain Hugh Scanlon of the Engineers and Jack Jones of the Transport Workers. They often sound good on Chile, civil rights and peace (often pro-Moscow) but sign productivity deals. But at times they will call strikes for political reasons and have much more of an ideological appeal to their rank and file.

Next come the social unions, such as the former CIO unions UAW and CWA, and AFSCME and the Machinists. The officials of these unions supported McGovern and shun Jackson. They like to give money to the farm workers and the black officials are active in the CBTH and women officials in CLUW. Sometimes AFSCME for example comes into genuine conflict with the AFL-CIO over Central Labor Councils and State Feds backing up their more conservative rival the Service Employees (SEIU) in jurisdictional fights and in making deals with Democratic office holders. But AFSCME is in the Coalition of American Public Employees (CAPE) with the NEA and the Fire Fighters, which promotes the Clay-Perkins Bill which opens the option of the unions choosing either binding arbitration or strikes and which explicitly allows public agencies to get injunctions. Recently the State Feds of North Carolina, Texas and Ohio came under the lead of some fairly dynamic leaders of the old social unionist type. The other wing is the lead by Meany and Shanker. It is based on the ILGWU, and the Amalgamated Clothing Workers in alliance with parts of the building trades [continue]

To top of page 10 after partial paragraph add: They are in opposition to the mainstream of the Second International where they are in alliance with the Israeli Labor Party. They oppose cooperation between the SPs and the CPs as in Chile where they supported Frei and in France where they supported D'Estaing. They oppose detente and any cooperation with the state unions of the Stalinist countries. They are heavily involved with the CIA through the American Institute for Free Labor Development, as was Beirne of the CWA.

[Before CLUW and CBTU page 10] At the far ~~right~~ right of the union spectrum are the Teamsters even though they have a contradictory character since they do organize more ~~workers~~ workers than the whole AFL-CIO. Also there are unions like the Operating Engineers that are more a job trust than a union, and the United Garment Workers, more a company union than a real union. Unions like the Distillery Workers and the Teamsters subsidiary the Laundry Workers are racket infected as are miscellaneous other AFL-CIO locals.

5. Page 10, last Paragraph, CBTU and CLUW. Replace with: The crisis and the pressures from the social movements of the 1960's also helped spur blacks and women labor leaders, who organized the Coalition of Black Trade Unionists (CBTU) and CLUW. The CBTU is made up of black union officials and many union activists on the steward level. It is a continuation of the Civil Rights push, but since the Black movement is at a low ebb it is not leading any real struggles nor pulling the ranks into it. It arose among those Black union leaders wanting to support McGovern. It plans to run Blacks for union leadership, a ~~new~~ policy which is violently opposed by the Shachtmanites. Also it will not necessarily go along with COPE endorsements if it feels they go against what it sees as the needs of the Black community. The top leaders of the CBTU such as Charlie Hayes of the Meat Cutters and Bill Lucy of AFSCME are already quite high in the union movement and are not ~~not~~ motivated simply by desires to move higher--neither are many of the stewards. They are concerned for example to mitigate the impact of the energy ~~crisis~~ crisis and unemployment on Black workers by working with the ~~the~~ Black Congressional Caucus whose members are coming under AFL-CIO pressure not ~~not~~ to do anything special for Blacks because that would be racism in reverse. Both the CBTU and CLUW are much more the result of both their leaders and base's concern with the real issues affecting Blacks and Women, and not simply the result of the leaders' desires to move ahead. Reformism is still alive in the labor movement and cannot be reduced simply to ~~a~~ careerism.

Ammendments to "Decline of U. S. Imperialism"

Ammendment #1-- Eliminate F. 3, Para 1-8, and replace with:

The post-war stability of western capitalism was essentially a function of the enhanced role of state intervention in capital accumulation and the use of Keynesian techniques to level off the business cycle. One of the central forms of state intervention, particularly for the U. S., was arms expenditures.

In the post-world war II period, Marxists and non-marxists alike saw a problem inherent in the rapid investment in plant and machinery. For Marxists, the problem was one of production, not consumption. If this investment, which was stimulated by domestic and foreign need for consumer and producer goods, did not increase productivity rapidly enough then the rate of profit would fall. Without a rapid increase of labor productivity, the mass of surplus value would not increase fast enough to justify the increase in the investment. A fall in the rate of profit would then call for an idling of plant and machinery with a consequent depression.

The prosperity of the period from 1950-70 was an expression of the fact that this problem inherent in the rapid expansion of plant and machinery was not allowed to materialize. The central method employed was the unparalleled role of gov't intervention in fostering the accumulation of capital and in leveling out the business cycle. (see "The Theory of the PAE -- a Critique). These efforts were successful (more so in Europe than in the U. S.) until the late '60's when the average rate of profit fell significantly and recovered (in the U. S.) only as a result of three years of Nixon's NEF. In the period of the boom, the government socialized many of the costs of a growing economy. Profits from overseas investment increased from 10% to over 20% of domestically earned profits. The west european economy was penetrated and exploited simply by minting dollars, thus providing a huge subsidy to the US economy and an temporary easing of US inflation by diverting it abroad, partially. Productivity was increased with new technology paid for by tax rebates, borrowed money which generated a gigantic national debt, and by subsidies to research.

A special case of the overall strategy of the capitalist state was a form of gov't spending especially characteristic of US imperialism-- arms expenditures. For US imperialism this form of gov't expenditure played a role disproportionately larger than for other capitalist countries because of US imperialism's need to maintain its military hegemony.

If we consider only advanced western capitalism, arms expenditures have accounted for as much as 25% of all gov't expenditures in 1955, and 7.2% of GNP in 1953. But these expenditures were heavily concentrated in the US.

However, since the Korean war, the trend has been for arms purchases to become an increasingly smaller percentage of both gov't expenditures and of GNP. Nevertheless, with defense purchases at \$40 billion in 1972, only 4% of US Gross private income (see Bradley, "Developments in Post WWII Capitalism", p. 35), the arms economy continues to provide an instrument of considerable importance in the smoothing out of fluctuations in the business cycle and thus avoidance of crisis.

But though arms expenditures serve the function of other gov't expenditures, they have a marked relative disadvantage compared to other forms of gov't aid, particularly to assistance in capital accumulation, namely that while arms expenditures, like police, government bureaucracy, advertising, etc. help level off the cycle, they at the same time constitute a huge overhead cost of production to capitalism and thus serve in the long run to reduce the capital available for capital accumulation.

Thus the long-run effect of arms spending may be negative, as opposed to direct gov't assistance to capital accumulation. The greater demand for basic materials and essential components created by arms purchases creates an inflationary trend which affects all non-military uses of these items. Countries such as Germany and Japan which have far smaller defense budgets can, at least for a time, undersell countries with large military budgets. In addition, by avoiding a depression, arms expenditures like complementary (non-productive) gov't expenditures protect inefficient investments. This retards the drive to increase productivity which is important both for meeting human needs with less labor time and for international competition.

But despite the relative disadvantages of arms productions, the needs of US imperialist hegemony impose this form of gov't expenditure permanently upon US capitalism.

The essential contradictions of capitalism are therefore expressed in the post-war period in the form of the contradictions and limits of gov't expenditure -- of gov't-Keynesian intervention in the economy. (see D. M., "The FAE Economy, a Critique)

Amendment #2 -- Eliminate p. 6, Para. 4-7, and replace with:

The role of capitalist imperialism continues in the post-war world in even heightened form, and is in principle consistent with Lenin's central thesis -- that since capitalism is an international system, capital is exported to areas of maximum profitability, transcending at a certain state all national barriers and giving rise to the phenomenon of capitalist imperialism.

But in the post-war period, the form in which this imperialism is experienced changed drastically. The absolute hegemony of US imperialism, and the relatively low wages and high profitability of the European post-war economy resulted in a shift of capital exports to the European economy and away from (relatively) the traditional colonial investments. As a result, US imperialism's profits now come overwhelmingly from capital exports to Europe rather than in the colonies (with the exception of oil).

After 1918, the share of foreign investment of older imperialist countries began to decline. That of the US increased rapidly. By 1960, almost two-thirds of all capital export exports was made by the US. (US share in 1914 had been 6%) (Magdoff, "Age of Imperialism", p. 59).

Unlike classic imperialism, the direction of capital flow was now toward western Europe. The European share of US investment in manufacturing grew from 24% to 40% between 1950 and 1966. (Magdoff, p. 59). The weakened character of European

capitalism made possible a US penetration that gave the US greater strength as an imperialist nation. As Lenin pointed out, imperialism-- whose most important feature is monopoly capitalism-- has many faces. In different historical circumstances, the monopoly essence manifests itself in "conditional and relative" ways. In 1916, there were equal capitalist rivals (with England first among peers), competing in a territorial division of the world. But WWII destroyed this "equality" and US imperialist exploitation of Europe became possible.

The flow of US capital abroad has shown no tendency to decline. Between 1949 and 1969 foreign investment as a percent of domestic investment has varied erratically but shown on the whole an upward trend (see Bradley, op. cit., p. 41). On the other hand, profits on foreign investment as a percent of domestic non-financial profits rose steadily between 1950 and 1965, from 10% to 21%. (Magdoff, p. 183)

But the threat to the US rate of profit was such that reliance upon imperialist exploitation was only one means of bolstering that rate of profit. The maintenance of US hegemony, the defense of US imperialist investment abroad, produced the necessity for a permanent and massive (though currently declining) level of arms expenditures.

This mechanism of arms spending not only provides a defense for imperialism, but also serves, as part of the larger role of the state intervention in combatting, in the short-run, the tendency of the rate of profit to fall, since arms investment, in the short-run, can cushion the cycle and thus prevent a collapse in the rate of profit. With permanent arms spending, this cushion takes the form, in the US, of providing a floor to investment as the latter fluctuates in basic industry.

The arms economy does not represent a new epoch of capitalism replacing the imperialist one. Rather, arms expenditures, as one special aspect of the new level of state intervention in economy, supplement the increasing return of overseas profits in the multi-faceted struggle of the ruling class to combat the tendency of the rate of profit to fall.

David Miller

INTRODUCTION AND BRIEF MOTIVATION FOR AMENDMENT TO MIKE P. DOCUMENT -- DF

What follows is put forward as a substitution for section II of Mike P.'s document, "The Rise of the Bureaucratic Class". In the NAC discussion of the draft ~~of~~ of this amendment, the position put forward here was supported by KM and JG. MD agrees with some parts, in particular the discussion of the Russian Revolution, but differs with other parts pertaining to Stalinism and ~~of~~ underdevelopment and will put forward further amendments. My intent is to outline an analysis of the origins of Stalinism along lines which I believe to be closer to that developed in the literature of our tendency than that put forward by Mike P. Obviously no attempt to be comprehensive is possible, but I have tried to indicate what the main issues and the main line of the development/ of Stalinism are.

I would like to state briefly the reason for proposing a complete substitution for this section of Mike's document (a document which on the whole is extremely valuable in beginning a re-statement and application of our theory to contemporary Stalinism and its crisis). The reason for the substitution is that Mike, in his Chapter II, introduces a new point of view which I believe to be unnecessary and wrong. Without saying so explicitly, Mike's discussion is based on the view that Stalinism is a product of, or a response to, economic underdevelopment. In fact, this is built into the way in which he poses the question, beginning with the question of bourgeois revolution in the underdeveloped ^{countries} and posing in abstraction the possibility of various social elements in these societies cohering themselves into a new class. In fact this is not where the class origins of Stalinism lie, and in my view such an approach cannot help leading to serious distortions in our analysis of the crisis of Stalinism where it is most crucial: i.e. where it holds power as a developed social formation in industrialized countries.

There is no doubt that, partially for reasons I get into in my section on Stalinism, national liberation and underdevelopment, the question of the role of Stalinism in underdeveloped countries is a big focus of discussion today. Do Stalinist ruling classes in underdeveloped countries lay the basis for socialism? Are they carrying through a bourgeois revolution, as state capitalist theorists believe? Are they socially progressive? Perhaps because these topics are sources of so much debate and confusion on the left today, Mike poses his discussion of the bureaucratic class in terms of underdevelopment. But as a theoretical adaptation, this is all wrong. The possibility of a new, exploitative ~~of~~ non-capitalist ruling class in the world today flows from the decay of capitalism, not from underdevelopment. In fact both Stalinism and underdevelopment are products of this decay, an idea which my substitute amendment re-integrates into our analysis.

It is also my view that the logic of Mike's approach leads to a conception which makes it impossible to explain Stalinism or the rise of the bureaucracy at all. This can be seen in the serious weaknesses in Mike's discussion of the origins of the bureaucracy in Russia. For on ~~a~~ thing, Mike tries to describe this process without in any way taking up the ~~the~~ political struggle in the Bolshevik Party (which he reduces to only a few bare abstractions about the bureaucracy shifting between other classes as it smashed them). In this respect Mike is following the logic of Chris Harman's pamphlet, but taking it one step further, in that Harman mentions the Left Opposition only to characterize it as essentially irrelevant because of the impossibility of working class industrialization within a single country. Mike, going a step further, barely mentions it at all.

Another example of the difficulties with Mike's approach is his complete mis characterization of the meaning of Socialism In One Country as promulgated

in 1924. He states it to mean "the country was to be organized to industrialize as rapidly as possible". Surely Mike himself does not really believe that this was announced in 1924! ~~It~~ If this were true, the whole struggle of the Left Opposition - which demanded industrialization - would be incomprehensible. Small wonder that Mike doesn't mention it! Along the same lines and the same logic, Mike comes very close to the ~~the~~ statement that the Soviet Union had ceased to be a workers' state by 1924 ("The victory of...the slogan 'Socialism in one country' meant the effective end of working class social rule" -- p.II-6), which indeed ~~it~~ would have had to be the case if Socialism In One Country in 1924 had the same content as the policies of the 1930's. From that point of view, the Left Opposition which fought inside the Bolshevik Party, on an explicitly reform program, would be not a working class force but objectively a wing of the bureaucratic class. (Many of these ideas were in fact put forward in 1969 by Chris Hobson and myself when we in fact wrote a document attempting to explain Stalinism as a response to underdevelopment). Although I strongly doubt that Mike holds any of these views, it is hard to see how these conclusions can be avoided from his discussion. What I hold to in this amendment is the view that it was not economic development policy as such, but which class held political power, that was decisive.

Another serious problem that comes up lies in Mike's conclusion that the bureaucratic class can only (discounting the fudge factor "except under conditions of catastrophe") be a serious contender for power in the underdeveloped countries. But if this is the case, then the idea that the class struggle in the world today is a three-cornered one - that the decay of capitalism, if the working class ~~is~~ does not fight for or hold power, can lead to a distinct third alternative in the form of Stalinism - would have to be abandoned except as rhetorical flourish. This was, in fact, the thrust of David M.'s question to Mike at the NC meeting as to whether Mike agreed with the NAC amendment to his introduction, stating that the struggle for the world is three-cornered and so forth. Mike's response was that of course he agreed with it. But the formulations in the third paragraph of his "Summary", p.II-9, seem contradictory to this. This is not to say that Stalinism is on the verge of a bid for power in any part of the advanced industrial capitalist world today - but it is equally wrong to base a whole theory on the empirical fact that neither the CP nor other Stalinist forces that we see around us today look particularly strong or important.

In writing this amendment, I should mention that I found the structure of Mike's chapter very helpful. What I tried to do was more or less substitute for his rather abstract sections on various class forces some more concrete analysis/ and also to present the problem in a different context. For his description of underdevelopment I substitute the development and crisis of imperialism - which takes in the problems of underdevelopment but in the context of world capitalism and its decay. In place of his discussion of the bourgeois revolution and peasantry, I outline the role of social classes in the Russian Revolution. For his general sections on "workers' revolution" and "the bureaucratic class", posed abstractly, I substitute respectively the Bolsheviks' perspective of world revolution and the new political situation and social relations developing from the isolation of Russia; and so forth. In this way I try to demonstrate that the analytical power of the theory developed by our tendency is greater than that of an analysis that looks at Stalinism as a more or less spontaneous response to economic underdevelopment.

~~XXXXXXXXXX~~

THE ORIGINS OF THE BUREAUCRATIC COLLECTIVIST CLASS

The enormous development of capitalism in the 19th and early 20th centuries succeeded in providing the material conditions for socialism on a world scale. For the first time in the history of man, the productive forces had been developed to the extent that they could provide enough for an abundant life for the world's people. The reorganization of modern industry by a conscious, socialist working class, producing both efficiently and for its own social consumption, would mean not only prosperity for the already industrialized countries but also open the road for international economic cooperation, and the economic development of previously undeveloped economies, without dehumanizing capitalist exploitation.

Moreover, capitalist development had created the conditions for its own crises. First, it had created a working class organized in the process of production as analyzed by Marx and Engels. Further, it created imperialism and a struggle to divide the world among the major capitalist powers. Imperialism prevented the colonized countries from developing along the same lines as the advanced capitalist nations, which limited their industrialization to those industries which suited imperial needs (such as extractive industries) and returned most of the profits generated by these industries to the imperialist country.

Imperialism also generated systematic competition among the capitalist powers and the basis for modern imperialist wars. By the beginning of this century, virtually all the markets for capital export had been carved up and capitalism tobogganed toward world war. This process was to lead to a world crisis for capitalism and subsequently to its process of decay.

THE RUSSIAN REVOLUTION: UNEVEN AND COMBINED DEVELOPMENT

(11)

The general crisis of capitalism in the early 20th century developed in most concentrated form in Tsarist Russia. This process has been extensively analyzed in Marxist literature and especially in Trotsky's writings on the Russian Revolution and the theory of permanent revolution and can only be schematized here.

The development of capitalism and classes in Russia had certain critical peculiarities which generated parallel revolutionary processes. First, there was the struggle of the peasantry against the landlords. In itself, this struggle for the right of the peasants to the land was bourgeois-democratic (as Lenin argued extensively in arguing for nationalization of the land in the 1905 Revolution - see THE AGRARIAN PROGRAM OF THE SOCIAL DEMOCRACY IN THE FIRST RUSSIAN REVOLUTION). But as Marxists recognized, the peasantry despite its ~~overwhelming~~ overwhelming numerical weight - ~~80%~~ 80% of the population of Russia - could carry through its struggle to completion only under the leadership of one of the major urban ~~xxx~~ classes. It was the policies and struggles of the urban classes which would determine the fate and ultimate content of the peasantry's revolts.

The urban bourgeoisie in Russia was also forced into opposition to Tsarism. This opposition often took a revolutionary form, although rarely going all the way to the social-democratic demand for a democratic republic. The bourgeoisie needed its own revolution if it were to avoid being swallowed up by already powerful national capitalist classes in Germany, France or Britain. But the Revolution of 1905 already showed - and the events of 1917 proved to the hilt - that the revolutionary opposition of the bourgeoisie stopped short when the threat of independent working class upheaval appeared. Ultimately, that was the rock on which the Menshevik theories of "allying with the progressive

national bourgeoisie" (to use some familiar terminology) ^{were} ~~xxx~~ destroyed (it was Stalinism that revived these theories later, for different purposes).

It was the working class, its consciousness and organization, which were decisive despite its small numbers. Russian industrial capitalism was based on the most modern imported technology (esp. French and British capital), resulting in highly advanced concentrated industrial plants in the midst of a backward peasant sea. The Russian working class emerged within a very brief historical period, from peasant villages into a modern working class with socialist politics within a generation. Thus the working class was extremely powerful in relation to the small, timid and dependent Russian bourgeoisie.

Thus the bourgeois-democratic revolution in Russia could be carried through only under the leadership of the working class. The democratic revolution included not only overthrowing Tsarism, but also breaking the power of the landlords, putting land in the hands of the peasant tillers and liberating the nationalities oppressed by Great Russia. The Bolsheviks under Lenin correctly realized that the revolution could succeed only if these struggles for the land and national liberation were unconditionally supported and backed to the hilt by a working class leadership committed to the fullest democracy, even in the teeth of bourgeois opposition. Without peasant support, the revolution would be brutally crushed. But even the Bolsheviks failed until 1917 to realize what only Trotsky argued from 1905 on - that because the democratic revolution must be led by the working class, it could no stop by establishing a bourgeois democratic republic.

The overthrow of Tsarism would bring to power not the bourgeoisie, and certainly not the peasantry, but rather the working class supported by the peasantry. The working class would be forced by the logic of its own needs, demands and position in society, to carry the revolution further, to establish its own rule, i.e. to turn the democratic revolution into a socialist revolution. There could be no period of stable bourgeois democratic rule. Of course, ~~xxxx~~ when the working class began to reorganize society under its own dictatorship, its peasant allies would not be expected to go along indefinitely - they would become the basis for capitalist counterrevolution. The only hope for the working class in power would be the spread of the revolution to the advanced countries, working class revolution in Germany or France which would come to the aid of workers' Russia and lay the basis for genuine socialist economic development.

This perspective was confirmed almost to the letter in the 1917 Revolution. The overthrow of Tsarism brought the bourgeoisie briefly to power, but only because the workers' soviets did not immediately grasp the necessity of taking power themselves. The bourgeois democracy continued the war, failed to turn land to the peasants or free the captive nations - creating a new revolutionary crisis which was resolved only when the workers' soviets under the Bolsheviks' leadership took power in the October Revolution.

The October Revolution dovetailed with the world crisis brought on by the imperialist war. In almost every European country capitalist economies were in danger of collapse. Revolts were also building up in the colonies as a result of the imperialist ~~xxxx~~ crisis - a crisis which, as Lenin had predicted in IMPERIALISM, was bringing the colonies into the modern revolutionary movement as well.

WORLD REVOLUTION AND THE BOLSHEVIK PERSPECTIVE

The outlook of the Bolshevik Party, in organizing the working class seizure of power in Russia, was inseparably tied to internationalism. It had nothing in common with the outlook of the bureaucratic class which rules Stalinist countries today, an outlook which is among other things extremely nationalistic and aims to expand its own national power at other nations' expense.

The Bolsheviks' justification was twofold: first, to provide an example of how the workers could take power, run society and begin the socialist reorganization of the economy; and second, to advance the world revolution by putting forward an alternative through revolution to the imperialist war. They saw in the spread of the revolution the only chance for their own survival.

It was only this outlook which made the survival of the Revolution in the early years possible. Because the Bolsheviks' anti-imperialism and internationalism were real and not rhetorical, they were able to put into practice their demand for a break with the imperialist camps. They were able ~~to win the support of~~ not only to sign a peace with Germany, but also to call for revolutionary resistance by workers in all the imperialist ~~xxxxx~~ countries. They were able to win the support of workers in all the imperialist countries whose ruling classes threatened to invade Russia. They were able to mobilize the entire working class when it became necessary to fight an incredibly bloody civil war.

The Bolsheviks called on the Russian workers to make enormous sacrifices. But their program never, at any time, had ~~anything~~ anything to do with the concept that socialism could be built in a single country, let alone one in which the economic basis for socialism had not been created.

Socialism, by its very nature, presumes production for use, the abolition of commodity production and the introduction of planning and co-operation on an international as well as a national scale. To project the creation of socialism within a single national boundary, in a world still dominated by the capitalist world market, is a throwback to utopian socialism. Within a country that was economically backward, overwhelmingly peasant in composition, isolated and shattered by war, this utopia could only have a doubly and triply reactionary character.

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Even to conceive of creating the economic basis for socialism within a single, isolated national economy would require boosting production as high as possible and keeping consumption as low as possible, using the difference to build new factories. This would require the working class to intensify its own exploitation. But this could never be accomplished under the rule of mass workers' organizations, committed to raising workers' standards of living. In fact, it would be necessary not only to smash the power of the workers but also to establish a brutal dictatorship over the peasantry, from whom food would have to be forcibly expropriated with almost no compensation.

In fact, the Bolsheviks were forced to demand intensified labor from the working class and to seize peasants' grain in order to shore up the shattered economy and maintain the Army during the Civil War. But despite some early illusions, they soon abandoned the idea that these measures represented a first ~~stage~~ stage in constructing a real socialist economy. The only possible steps toward socialism were small ones - a fair distribution process, use of unutilized capacity, and limited industrialization subordinated to the critical short-term problems of raising living standards and trying to maintain the alliance with the peasantry. Although some short-term economic progress might be

possible, these measures were not aimed at building socialism in one country but rather at keeping the workers in power until the world revolution could break ~~xxx~~ Russia out of isolation.

THE DEGENERATION OF THE REVOLUTION

We have now summarized the views and perspectives of the Bolshevik Party through the seizure of power in Russia. Those views were based on the conception that the working class can rule only collectively, through direct control not only of the economy but of the state. That is why all their policies were ~~xxxxxx~~ geared toward the workers taking power through the soviets, and then of keeping the power they had won.

We now have to examine the degeneration of the Russian Revolution and the social roots of the bureaucratic counterrevolution. Once again, we can only schematize a process which has been extensively analyzed in our literature (the best single presentation is found in THE STRUGGLE FOR THE NEW COURSE).

First and foremost, of course, the isolation of Russia and the destruction of what remained of the economy in the Civil War rapidly destroyed the conditions ~~in~~ in which genuine socialist democracy could develop. This reached even the point that the working class itself was nearly liquidated, either killed off in the war or forced by famine to dissolve back into the countryside.

Second, the defeat of the European Revolution from 1919-23 - made possible by the social-democratic parties which organized the counterrevolution and by the immaturity of the newly formed Communist movement - reinforced a tremendous development of conservatism produced by the exhaustion of Russian workers and revolutionaries.

In this international context, the working class in power in Russia faced enormous, unprecedented problems in attempting to hold power and reorganize the shattered economic life of the country. These problems laid the basis for a bureaucratic degeneration of the revolution from the beginning. But the beginnings of this degeneration did not initially represent the rise of a new class, but rather a workers' bureaucracy tied to the working class and its rule and attempting to preserve the critical gains of the revolution when the mass institutions of direct workers' democracy could not do so.

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It is often assumed by various theoreticians and writers, including many who consider themselves Marxists and Trotskyists, that the most critical accomplishment of the October Revolution in Russia was the establishment of nationalized forms of property. This idea leads to the conclusion that so long as these nationalized property forms are maintained, this society continues to constitute either a workers' state or some kind of progressive formation as opposed to capitalism.

But this view wrenches the property forms out of the context of the property relations brought into existence by the revolution, and of a number of other critical conquests of the revolution. It was these conquests ~~xxx~~ which were weakened in the bureaucratic ~~xxxxxxxxxxxx~~ degeneration, and finally destroyed by the triumph of the Stalinist counterrevolution, one by one. (In those countries to which the Stalinist social system later expanded, none of these conquests ever existed in the first place).

First, we should mention the alliance between the working class and the

peasantry, without which the workers' revolution would have been impossible. This alliance was nearly shattered during the Civil War when grain was forcibly taken by workers' militias to feed the cities - it survived only because the peasants soon discovered that the counterrevolutionary armies, supported by all the bourgeois democrats, simply intended to return the land to the landlords! The alliance was revived, however, in a new form by the NEP in the twenties, which reintroduced market relations in agriculture, though there were many stresses and strains resulting from the weakness of industry. It was only the brutal turn to forced industrialization and collectivization in the early thirties, when the last hold of the working class on power was being wiped out for good, that this alliance completely disintegrated.

Second, and most critical, were the soviets or workers' councils. The soviets were the mass organs of workers' power - in fact, immediately on their appearance in 1917 Lenin and Trotsky recognized them as the basis for the workers' state. It was directly through the ~~workers' state~~ ^{soviets} that the workers held power, and through which the tremendous thrust toward workers' control and management reached its highest form. Elections for delegates to the soviets were based on proportional representation. Different political parties received delegates in proportion to the number of votes they received. Parties could freely campaign, and votes were cast for the parties and their programs, not individual candidates. Delegates were immediately recallable. At the same time, workers in individual factories had powerful shop-floor organizations in the form of factory committees which began to take charge of production.

Direct soviet democracy was one of the first casualties of the Civil War. Military necessities, and the economic collapse, gave enormous weight to administrative machinery in all spheres: the economy (meaning one-man management in the factories), the army and the state (both of which relied heavily on personnel from the old Tsarist army and civil service). And the massive exodus of the most conscious workers to the front lines reduced the soviets to almost nothing. By 1919, the decline of the soviets had reached the point where the power in fact rested in the hands of the Bolshevik Party itself.

The Bolshevik Party itself represented one of the most important achievements of the revolutionary workers' movement in Russia. Without it, there could have been no revolution - just as there could have been none without soviets, or without the alliance with the peasants. It was not only the decline of the soviets which left the workers' power solely in the hands of the Bolsheviks, but also the road taken by the other parties, the Mensheviks and Social-Revolutionaries. By the last stages of the Civil War these parties had gone over to the side of the pro-imperialist, counter-revolutionary White armies. As a result they were banned (naturally the end of inter-party democracy also contributed to the attrition of democracy in the soviets), and the workers' state became a single-party dictatorship. But the Bolsheviks' monopoly of political life exposed them all the more to conservative and careerist forces.

The product of this process was growing political rule by what we called earlier a "workers' bureaucracy". This bureaucracy, whose influence was becoming a dominant force inside the Bolshevik Party by the early twenties, had grown out of the relationships created in the Civil War. Many working class leaders became commanders in the Army or in industry - tied to the dictatorship of the working class, but accustomed to giving orders

and no longer accountable or tied to mass institutions of direct democracy. This bureaucracy was also affected by the army and civil service personnel of the old society, which it dominated and controlled but whose methods it had to learn and adapt quickly. It also arose in the new organs of repression which suppressed opposition parties, often quite ruthlessly - organs which might be directed by dedicated, principled Communists but which were hardly a cultural medium for the rebirth of workers' democracy. The outlook of this stratum was also shaped by what was happening around it - the conservative pressures of the defeats of in Europe and the exhaustion of the whole working class. It was ~~xxxx~~ not a new ruling class, because it defended the workers' revolution even if in a distorted way - but it was a fertile medium for the early growth of the cancer of Stalinism.

It was this situation which prompted Lenin in 1921 to characterize Russia as "not a workers' state - this is an abstraction - but a workers' and peasants' state with a bureaucratic twist". Such a state of affairs - working class rule not through democratic collective control of the state, but through a bureaucracy - had a built-in instability and could only survive for a brief period before the working class either restored soviet democracy or lost power entirely.

POLITICAL AND SOCIAL COUNTERREVOLUTION

Only after the Civil War, and the beginning of the restoring of the economy, can we begin to trace the embryonic formation of the new bureaucratic formation that was to destroy all the gains of October.

NEP, the policies which were aimed at providing a breathing space during the hopefully temporary retreat of world revolution, reintroduced limited capitalist market relations - within the context of the working class political dictatorship - and helped to put the economy back on the road to recovery. These same policies also, unavoidably, brought the emergence of new social differentiations and privileges and the possible growth of forces which might launch a struggle for capitalist ~~xxx~~ restoration. This was the tension that began to develop in the early and middle twenties.

Partly to offset the real or imagined danger from pro-capitalist forces, partly because of the already felt interests of the bureaucratic stratum in the Bolshevik Party, the single-party Bolshevik ~~xxxx~~ dictatorship was not only maintained but tightened. Trotsky's early efforts in the NEW COURSE essays to reverse the bureaucratization, while supporting in principle the single-party dictatorship, were met with formal approval on paper and deliberate sabotage in practice.

In the year before Lenin's death, and even more decisively afterward, the consolidating bureaucracy in the Party was associated with the methods and policies of J.V. Stalin. It was to Stalin, who was consolidating his own power and career (he had been a long-time Bolshevik but had a generally mediocre record in the Revolution and could never become a top-ranking leader except as the expression of bureaucratic interests), that sections of the bureaucratic stratum began to look as the organizer of their position.¹

Stalin's initial faction was based on a wing of the existing workers' bureaucracy (which was why it was virtually exterminated in the purges of the thirties, when very different elements, with no base whatever independent of their l. We do not have space here to outline the policies of Stalin as General Secretary of the Party which alarmed Lenin shortly before his ~~xxxx~~ illness.

ties to Stalin, came into prominence). As their interests, privileges and sense of solidarity strengthened, however, the bureaucracy began to attract other elements with no ties to the Revolution: careerists or old state bureaucrats, ex-Mensheviks and so forth with whom Stalin consciously ~~///~~ flooded the party (along with huge numbers of totally inexperienced young workers as a passive mass base) in the post-1924 "Lenin Levy". By this time, any move toward restoring proletarian democracy and equalitarianism would have been a direct, clear threat to the material interests of the bureaucracy - but the latter did not, as yet, rest on a distinct new set of ~~xxxx~~ social relations of production.

It was in this context that the policy of "Socialism in one country" was first announced. In historical perspective, it can be seen as the first central rallying point for the outlook that is common to every Stalinist ruling class today: a nationalistic outlook that sees in national economic growth a vehicle for strengthening the position of the bureaucratic class in society and in the world. We have already mentioned the reactionary utopianism, from a working class point of view, of the concept of creating a socialist economy on the basis ~~xxxxxx~~ for one inside a single national boundary. But as originally formulated in 1924, this policy had nothing in common with rapid industrialization or the super-exploitation of the working class. Such a policy would have been impossible so long as the power of the working class in the state, including the Bolshevik Party itself, had not been totally smashed. If anything, the original "Socialism in One Country" meant just the opposite: "Socialism at a snail's pace" with no attempt to build heavy industry, and the slogan "Enrich Yourselves" to the peasantry with no effort to win the poor peasants politically to the goal of collectivization in agriculture. *delete*

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This policy appealed to the bureaucracy, which was eager to abandon the perspective of world revolution and get on with the enjoyment of its already considerable privileges. It also appealed to the masses of politically passive people, including workers, whose living standards were only beginning to return to the level of 1913.

At this point the critical debates of 1924-28, in which the developing class forces sorted themselves out, were launched. The working class forces, i.e. the forces inside the party who stood against bureaucratization, for strengthening the proletarian dictatorship internally and for maintaining the perspective of organizing for world revolution, grouped around Trotsky. Before 1925, these forces had been opposed by a bloc of the Stalin faction and of the workers' bureaucracy represented by Kamenev and Zinoviev, who made common cause in resisting Trotsky's calls for the "new course" and in backing Stalin in his ~~bid~~ bid for power. But because they represented a distorted defense of workers' rule and Bolshevism, Kamenev and Zinoviev broke with Stalin and formed a new bloc with Trotsky, called the Left Opposition, when they began to perceive that Stalin's policies were leading to the destruction of Bolshevism itself.

The Left Opposition fought for strengthening working class power in three ways. First, they demanded that the economic power of the working class be increased by concentrating some economic resources on industrialization - not to create "socialism", but at the very least to be able to exchange industrial goods for peasant grain and avert the danger of a peasant strike and mass famine. (In response, Stalin declared that the Left Opposition was opposed to wage increases). Second, they pointed out the growing class differences in the peasantry and called for supporting the poor peasants against

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the rich (they were charged with trying to reduce the peasantry to ruin).

But the third demand of the Left Opposition was its most important contribution: it tied its other demands to the slogan "workers' democracy is an economic necessity" and demanded the re-introduction of workers' control of production and the economy. This was why Stalin's bureaucracy mobilized to crush the Left Opposition through the use of slander, monopoly of political resources, and control of communications and the state apparatus. The violence of its attack showed the depths of its hatred and fear of any return to workers' democracy. The elements of the new ruling class still existed only as a political faction, but through Stalin their struggle for state power was being organized.

The Left Opposition was crushed and expelled from the Party in an uneven and almost hopeless struggle. Almost at once, as it happened, the prediction of a peasant strike came true as the kulaks began withholding grain from the cities. But at this point, the Stalin faction was easily able to crush the peasants as well as the remaining opposition - the Right Opposition of Bukharin which continued to argue for appeasing the rich peasants - inside the Bolshevik Party. With all opposition crushed, the ruling Stalinist faction had an open road to consolidate its own rule and become a ruling class. This involved destroying the last remaining aspects of workers' organization on the shop floor, undertaking brutal ~~and~~ forced collectivization and industrialization, and wiping out the Bolshevik Party itself in all but name.²

~~XXXX~~ By 1929 the Central Committee could declare that workers' committees "May not intervene directly in the running of the plant or endeavor in any way to replace plant administrators. They shall by all means attempt to secure ~~the~~ one-man management, increase production, plant development and thereby improvements in the material conditions of the working class."

(NOTE: At this point proceed with the final four paragraphs of Mike's section entitled "Russia", i.e. the paragraphs on p.II-7 beginning "The purges of the 1930's" and concluding with the end of the section).

THE EXPANSION OF BUREAUCRATIC COLLECTIVISM

Our overview of the Russian Revolution and its degeneration, while extremely sketchy and omitting many crucial topics, was somewhat lengthy. This is justified by the fact that the class origins of Stalinism lie in this unique historic situation, the defeat of a workers' revolution through international counterrevolution. Without understanding this historic process no understanding of the bureaucratic ruling class, or the possibility of such a class coming into existence, could be imagined.

However, we now have to consider the expansion of bureaucratic collectivism as a social system, a process which shows that the bureaucratic class and its social basis for existence are not limited only to Russia in the ~~19~~'30's.

2. This is not the place to undertake a critique of Trotsky's mistaken assessment of some important aspects of the 1924-28 struggle, e.g. his view that the Bukharinite wing stood for the restoration of capitalism and that the Stalinist faction, with its wild zigzags, was only a centrist force which would capitulate to the Right once the Left was expelled. The reader can consult the PROGRAM OF THE LEFT OPPOSITION (1927) and Shachtman's THE STRUGGLE FOR THE NEW COURSE and essays in THE BUREAUCRATIC REVOLUTION.

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Because this is not a detailed historical study but rather a theoretical examination of the origins of the bureaucratic class, we will only outline a few key cases, without attempting a detailed history, in order to throw light on this question of the roots of Stalinism in the world today.

The defeats of the revolutionary movements of the 1920's and '30's (defeats in which Stalinist policies often played huge roles, outside the scope of this document), and the rise of fascism in Europe, along with the revival of even more ferocious imperialist rivalries as the powers of Europe scrambled to carve up each other's colonies and even homelands - all this signalled the onset of the epoch of imperialist decay. It is this epoch in which capitalism, having created all the material conditions for socialism, now threatens to use those same productive resources to drag all mankind into barbarism.

The new bureaucratic ruling class in Russia inserted itself into the imperialist cockpit from the late 1930's on. Beginning with the Stalin-Hitler pact and the division of Poland, the Soviet Union then plunged into World War II with imperialist ambitions no less ferocious than those of the American, British and German ruling classes. It was the outcome of this conflict that laid the basis for politics in the world today.

The capitalist economies of Western and Eastern Europe were physically shattered. For the next 25 years, US capitalism was to rule the capitalist world as the only healthy capitalism in the world. But in eastern Europe, the military victory of the Russian armies also laid the basis for empire. Whole factories were transported from Germany to Russia, along with German workers (for twelve years the victims of Nazism) as slave labor. Essentially on the backs of the Russian army, local Communist Parties (sometimes imported from Russia itself) were placed in power. Large numbers of the bureaucracy of the capitalist and even Nazi states joined and became part of these Communist Party bureaucracies.

Yet, while the role of the Russian Army was vital (e.g. in preventing the bourgeoisie from organizing a civil war or in holding down any threat of independent working class activity), what is critical is the class character of the process that occurred. For the Communist Parties did not restore or maintain capitalist relations, but set about consolidating their control over the state and themselves as a class, based on the same relations that had been established in Russia. They reproduced these relations, even down to the inevitable cult (or minicult) of the Glorious Leader, the final arbiter of the Stalinist system which continues to exist in every Stalinist-ruled society today. And in establishing themselves as a class, with the CP apparatus as its backbone, the bureaucrats drew on the same social elements that went into the making of the bureaucratic class in Russia: elements in society not tied to private capital and its profit, but nonetheless hostile to the threat of workers' rule which would threaten their position as privileged intellectuals, technicians or administrators. In Western Europe where the CP's did not take power, they became mass parties through the influx of such elements as well, on top of their already established proletarian base.

And in some cases where Stalinism took power in the vacuum left by the ruin of capitalism, it was native CP-led movements rather than the Red Army which brought them to power. In at least one such case, that of Yugoslavia, the same social relations of the bureaucratic system were established, but the basis was also laid for an independent national Stalinist ruling class, Titoism, and the beginning of the breakup of a monolithic Stalinist empire.

In no such case, however, was the rise of Stalinism to power a progressive development in any way, despite massive illusions among western radicals that persist to this day. In every case it meant the crushing of workers' organizations and parties, the strangulation of the unions and their transformation into state labor fronts, the liquidation of revolutionaries, and the construction of a totalitarian apparatus that totally ruled political and social life.

The other critical case of the expansion of Stalinism, and one having nothing to do with the Red Army, was in China. (NOTE: Here Mike P.'s section on China, pp. II-7-8, should be inserted. I have no objections to his brief description).

STALINISM, UNDERDEVELOPMENT AND NATIONAL LIBERATION

In the postwar world since 1950, the decay of capitalist relations in the world found somewhat new expression. The permanent arms economy, based on US hegemony, stabilized world capitalism in the industrial countries and generally suppressed the previous imperialist rivalries. The world was divided into the rival war camps of Washington and Moscow, contending for ideological and political domination of the world.

Nonetheless, the contradictions and decay of imperialism continued to find expression during this period, most visibly in the underdeveloped and colonial world oppressed and super-exploited by imperialism. This was the age in which the US began turning systematically to the policy of installing the most repulsive, brutal military or semi-fascist dictatorships and calling them "the democratic alternative to Communism." Many of these regimes appeared to their peoples as an "alternative" only in they seemed even more brutal than they imagined Communism could be.

Under these circumstances, in the absence of an independent working class movement either on the national or international scale, the anti-capitalist ideology of Stalinism developed a dynamic appeal among layers of the population in the underdeveloped world. Many of these elements form the potential basis for the bureaucratic class - especially among technicians, the government bureaucracy and sections of the relatively huge military establishment found in many underdeveloped countries, and intellectuals many of whom have no prospect of useful work.

These elements are strongly nationalistic, share many of the same problems and aspirations, generally desire industrialization in order to get out from under the domination of imperialism, and are disgusted with the inefficiency, timidity, and imperialist ties of the local feudal and bourgeois classes. Yet they do not constitute at this time a social class; they have no central relation to the means of production in society. As such they have very little consistent social power.

If the working class does not launch its own struggle for power, among these elements may be found much of the mass base and even the leadership for a Stalinist movement. They may find this the only way in which to establish control of the means of production and smash the power of other social classes - using state power to cohere themselves as a ruling class.

(NOTE: Here I intend to take up briefly the examples of Cuba and Vietnam. This was not prepared in time for the M.C. discussion. If I get it done in time it will be attached to this document as an appendix; otherwise it will be written and sent out as soon as possible).